



KITS EYECARE LTD.

**FIGHTING AGAINST FORCED LABOUR AND CHILD
LABOUR
IN SUPPLY CHAINS REPORT**

2025 Annual Report

Reporting period: Financial year ended December 31, 2025

Introduction

This joint report is submitted by Kits Eyecare Ltd. on its own behalf and on behalf of its wholly owned subsidiary, Kits.com Technologies Inc. It has been prepared in accordance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

The report outlines the measures taken by the above-mentioned entities during their most recent financial year, which ended on December 31, 2025, to prevent and reduce the risks of forced labour and child labour within their supply chains. This includes both domestic operations in Canada and the importation of goods into Canada.

Kits is committed to promoting ethical labour practices that uphold the safety and human rights of workers. The company continues to take active steps to prevent and address the risks of forced labour and child labour across its operations and supply chains.

(a) Structure, Activities and Supply Chains

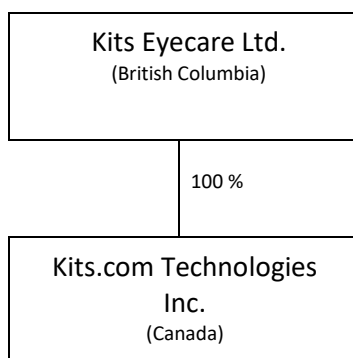
Structure

Our company was founded in British Columbia, Canada, and was incorporated in 2018 as Kits Eyecare Ltd. under the Business Corporations Act (British Columbia). Our subsidiary, LD Vision Group Inc. (“LD Vision Group”), which we acquired in 2019, was incorporated under the Canada Business Corporations Act in 2002. In 2019, LD Vision Group changed its name to Kits.com Technologies Inc.

After the completion of our initial public offering in January 2021, the company started trading on the Toronto Stock Exchange (TSX: KITS). As of December 31, 2025, we had 176 employees, all employed in British Columbia, Canada. We have no employees located outside of Canada.

Oversight of human rights and supply chain risk is held at the senior level by our Supply Chain and Operations lead, who is responsible for identifying, assessing and responding to forced labour and child labour risks across our operations and supply chains.

The following chart identifies our wholly owned subsidiaries (including the percentage of votes attaching to all voting securities beneficially owned or controlled or directed and jurisdiction of formation or incorporation):



Activities

KITS was founded in October 2018 to bring complete vision care to eyes everywhere, unlocking convenience and choice. We offer our KITS community in Canada and the USA access to a vast selection of the highest quality contact lenses and eyeglasses. We operate a network of optical e-commerce websites, including KITS.com, KITS.ca, OptiContacts.com and ContactsExpress.ca

Our efficient digital platform, backed by our in-house design, distribution, and state-of-the-art manufacturing, removes intermediaries and enables us to offer the highest quality products, fast service, great prices, and deliver made-to-order personalized products with incredible care and accuracy.

Our activities in relation to the production and importation of goods include:

- Manufacturing and assembly of prescription eyeglasses in Canada;
- Importation of contact lenses, frames, lenses and accessories from suppliers in North America and Asia; and
- Distribution of eyewear products to customers in Canada and the United States.

Supply Chains

Supply chains are integral to the successful operation of our business. The components and products that KITS purchases and imports are critical to meeting our service commitments and delivering high-quality eyewear products to our customers.

Our supply chain spans both domestic and international suppliers. The majority of our products are sourced from suppliers based in North America, while a portion is imported from Asia, including from China, South Korea, Taiwan.

We strive to work collaboratively with a broad network of suppliers, business partners and third-party providers. Goods and services sourced include, but are not limited to: contact lenses, frames, lenses, accessories, packaging, spare parts and maintenance services.

KITS is committed to working only with partners who align with our values and comply with our standards regarding ethical sourcing and labour practices.

(b) Policies and Due Diligence Processes

Governance

At KITS, we believe that strong corporate governance is essential to fostering a culture of respect, inclusivity and ethical responsibility. Responsibility for identifying, assessing and responding to supply chain human rights risks rests with our Supply Chain and Operations lead. This function works in collaboration with our Human Resources team and reports to senior executive leadership.

Policies

KITS has established a comprehensive set of policies that set clear expectations for our Board of Directors, officers, employees and suppliers. These policies are designed to ensure respect for human rights and to proactively identify, assess and address potential risks:

Policy	Description
Code of Conduct	All directors, officers, employees and contractors are required to conduct themselves with honesty, integrity and in full compliance with applicable laws and regulations.
Workplace Standards, Health & Safety	KITS is committed to providing a safe, healthy and respectful working environment, with appropriate measures to prevent workplace accidents and injuries.
Compensation and Working Hours	KITS upholds fair labour practices in compliance with local laws and international labour standards. Employees receive lawful wages, overtime pay and benefits, and working hours comply with applicable regulations.
Forced and Compulsory Labour	KITS prohibits the use of forced or compulsory labour in all forms, in accordance with Article 2 of the ILO Forced Labour Convention (1930). All work is performed voluntarily, without coercion, threats or penalties.
Child Labour	KITS hiring practices comply with all applicable laws regarding the minimum age of employment. We are committed to preventing child labour in all aspects of our operations and supply chains.
Non-Discrimination and Harassment	Discrimination, harassment and abuse are not tolerated under any circumstances. We expect our suppliers to uphold these same standards in their employment practices.
Competition and Anti-Bribery	All employees and suppliers are expected to comply with applicable competition and anti-corruption laws. Bribery, including the offering or acceptance of improper payments, is strictly prohibited.
Environmental Responsibility	KITS strives to minimise the environmental impact of its operations, products and services, and expects suppliers to operate in an environmentally responsible manner and comply with applicable environmental laws.
Whistleblower Policy	KITS provides a secure and confidential channel for reporting suspected or actual violations of the Code of Conduct, legal obligations or regulatory requirements. All reports are investigated thoroughly, and individuals are protected against retaliation.

Due Diligence Processes

KITS takes a proactive approach by conducting ongoing risk assessments and due diligence procedures across our value chain to identify, address and mitigate potential human rights concerns. Our due diligence approach is informed by the OECD Due Diligence Guidance for Responsible Business Conduct and includes the following key elements:

- **Supplier Engagement** – We work directly with our suppliers to assess risks, implement mitigation strategies and prevent potential human rights violations, including forced and child labour.
- **Supplier Code of Conduct Compliance** – All direct product suppliers are required to formally acknowledge and sign a Statement of Compliance with our Supplier Code of Conduct,

which outlines our expectations regarding ethical labour practices and human rights standards.

- **Anti-Forced Labour and Anti-Child Labour Contractual Clauses:** Specific clauses prohibiting forced and child labour have been developed and incorporated into contracts with direct suppliers, requiring compliance with applicable laws and our standards.
- **Supplier Requirements:** We require our suppliers to have in place policies and procedures aimed at identifying and preventing the use of forced and child labour in their own operations and supply chains.
- **Audit Rights and Oversight** – KITS retains the right to conduct audits of our direct suppliers to verify compliance with our Supplier Code of Conduct and related policies.
- **Internal Compliance Monitoring** – Within our own operations, we conduct periodic reviews to confirm adherence to our internal Human Rights Policy and Code of Conduct.

(c) Forced Labour and Child Labour Risk Assessment

Risk in Our Own Operations

Based on our internal assessment, KITS operates entirely within Canada, a jurisdiction that is generally considered to be at low risk for forced labour and child labour. All 176 of our employees are located in Canada. Accordingly, we believe the likelihood of forced or child labour risks occurring within our direct workforce is minimal.

Risk in Our Supply Chains

We recognize that greater exposure to these risks exists within our supply chains, particularly when sourcing goods from regions that carry elevated risk profiles. Our supply chain includes suppliers in countries where certain sectors, particularly manufacturing, may present higher inherent risks related to labour practices, migrant worker recruitment, and working conditions.

Steps Taken to Assess and Manage Risk

During the 2025 fiscal year, the following steps were taken to assess and manage these risks:

- **Risk-Based Research:** We monitored global risk indicators, government publications and industry resources to identify geographies and sectors where forced or child labour risks may be more prevalent.
- **Supply Chain Mapping:** We continued to develop our supply chain map using available data to increase transparency and traceability of sourced goods and materials, with a focus on identifying suppliers in higher-risk geographies.
- **Stakeholder Engagement:** We engaged with manufacturers, distributors and other supply chain partners to deepen our understanding of potential risks and support collaborative risk mitigation efforts.
- **Supplier Onboarding Assessments:** New suppliers undergo an assessment process that includes review of their compliance with our Supplier Code of Conduct and labour practices standards before purchase orders are placed.

(d) Remediation Measures

Following the mapping and evaluation of our primary suppliers and internal operations, KITS did not identify any instances or confirmed indicators of forced labour or child labour within our business or supply chains during the 2025 fiscal year. As no cases of non-compliance were detected, no remediation measures were required or implemented during this reporting period.

KITS remains committed to maintaining rigorous oversight and will continue to monitor our operations and supply chains to ensure early detection and prevention of any human rights violations. Should any instance of forced labour or child labour be identified in the future, KITS is prepared to take prompt corrective action. Depending on the nature and severity of the issue, remediation actions may include:

- Working directly with suppliers to develop and implement corrective action plans;
- Conducting follow-up assessments or audits to validate the effectiveness of remediation;
- Requiring suppliers to engage with their own supply chain partners to address root causes;
- Reporting instances to relevant authorities where required by law; and
- Terminating supplier relationships where remediation is not possible or where violations are severe.

Our Whistleblower Policy provides a confidential channel through which employees, suppliers and other stakeholders may report concerns, including suspected forced or child labour, without fear of retaliation.

(e) Remediation of Loss of Income to Vulnerable Families

KITS has not identified any loss of income to the most vulnerable families resulting from any measures taken to eliminate the use of forced labour or child labour in our activities and supply chains during the 2025 fiscal year.

As no such impacts were identified, no specific remediation measures were required or implemented in this area during the reporting period.

(f) Employee Training

During the 2025 reporting period, KITS delivered Targeted, mandatory training sessions delivered to key personnel within our Human Resources and Supply Chain teams. These are the employees most directly responsible for assessing and managing supply chain risks.

Broader awareness-raising activities made available to all remaining employees across the organization, ensuring company-wide understanding of the importance of ethical labour practices and how to report concerns.

Training is developed internally to ensure it remains current, accurate and relevant to the evolving risk landscape. We plan to continue expanding the depth and reach of our training program in future reporting periods, with a goal of increasing the proportion of employees receiving structured, mandatory training over time.

(g) Assessing Effectiveness

Current Monitoring Mechanisms

To evaluate the effectiveness of our policies and due diligence processes in preventing forced and child labour, KITS has implemented the following ongoing monitoring mechanisms:

- **Policy Reviews:** Periodic reviews of our internal Human Rights Policy, Code of Conduct, Supplier Code of Conduct and related policies to ensure they remain robust, relevant and compliant with applicable legislation and best practices.
- **Supplier Compliance Reviews:** Ongoing monitoring of direct supplier compliance with our Supplier Code of Conduct and anti-forced labour contractual clauses, including review of signed Statements of Compliance.
- **Training Reach:** Monitor the number and proportion of employees who have completed forced labour and child labour training, with a goal of expanding mandatory training participation year over year.
- **Incident Tracking:** Monitor and record any reports or concerns raised through our Whistleblower Policy or supplier engagement processes relating to forced or child labour, and track the resolution of any such reports.

Approval and Attestation

This report was approved by the governing body of Kits Eyecare Ltd., which also serves as the governing body of its wholly owned subsidiary, Kits.com Technologies Inc.

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 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 the authority to bind Kits Eyecare Ltd. and Kits.com Technologies Inc.



Roger Hardy
Director and Chief Executive Officer
Kits Eyecare Ltd.

May 5, 2026