

Forced Labour & Child Labour Report



Taking the Right Steps

Delta Water Products is taking action to identify and mitigate the risks associated with forced labour and child labour by building our human rights and supply chain due diligence practices.

 www.deltawaterproducts.com

 200-45584 Airport Rd
Chilliwack BC V2P 0H9

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Introduction

Modern Slavery Statement for the Financial Year Ended November 30, 2024

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by Delta Water Products to identify and address the risks of forced labour and child labour in its business operations and supply chains during the financial year ending November 30, 2024. Delta Water Products is committed to respecting human rights and ensuring that our supply chain is free from forced labour and child labour.

Delta Water Products has a zero-tolerance policy for forced labour and child labour and is dedicated to ensuring ethical practices across all operations and supply chains. Report fulfills the mandatory reporting requirements under Section 11 of Bill S-211 to reinforce compliance.



Corporate Structure & Business Activities

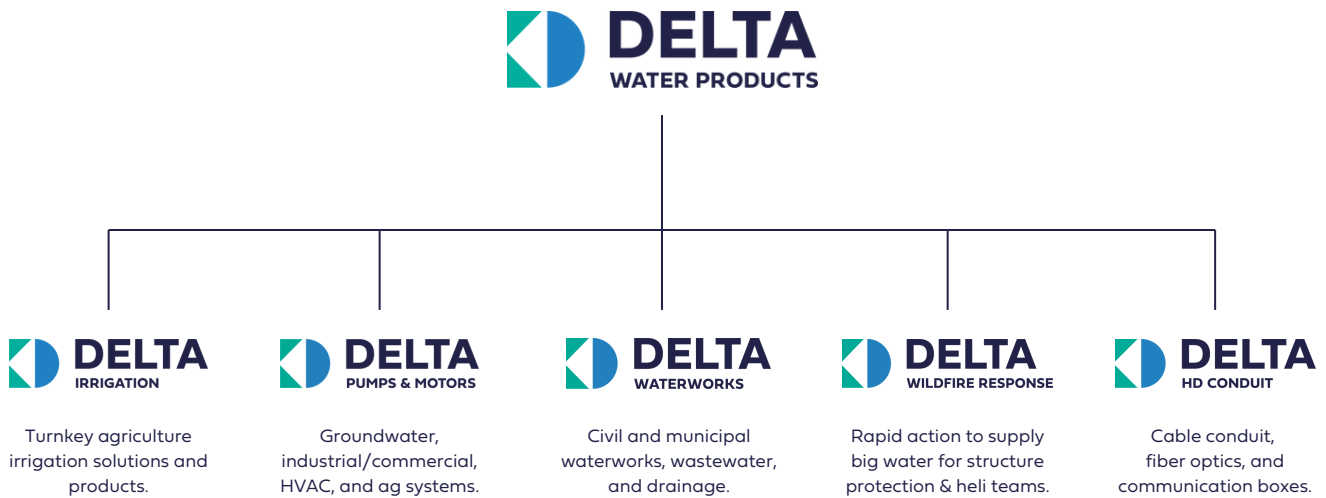
This is a joint report filed by Delta Water Products Group Holdings Ltd., the parent company established in February 2023. The Head Office is located in Chilliwack, BC. Our core group of companies began with Delta Irrigation Products Ltd. and Delta Irrigation Ltd. The acquisition of both Aquateck West Ltd. and WaterTec Irrigation Ltd., WaterTec Inc (in the USA) occurred in the Spring of 2023, and Arndt Motor and Pump Service Ltd. was acquired later in the Fall.

In September 2024, Delta Water Products successfully completed the asset purchase of Western Pumps, a strategic move aimed at enhancing its capabilities in the pumps and motors segment and add additional product lines in Pool & Spa. This integration positions Delta Water Products to deliver greater value to its customers and expand its reach within the industry. Delta Water Products is centralizing corporate functions that provide governance, financing, and other support to our core businesses.

Company Overview

Delta provides agricultural turnkey irrigation solutions and products; groundwater, industrial, commercial, HVAC, and agriculture systems; support in civil and municipal waterworks, wastewater, and drainage; rapid action to supply big water for structure protection and heli teams; and cable conduit, fibre optics, and communication boxes.

Delta offers products and services to 5 business segments (Irrigation, Pumps & Motors, Waterworks, Wildfire Response, and HD Conduit) through 15+ locations across Western Canada and the Pacific Northwest.



Products & Services

PRODUCTS

IRRIGATION

- Agriculture Sprinklers
- Aluminum Pipe
- Wheel & Hand Lines
- Sprinkler Gun Carts
- Mini & Maxi Carts
- Wheel Line Movers
- Drip & Sprinkler Systems
- Micro Spray Systems
- Filtration Systems
- Irrigation Pivots
- Irrigation Reels
- Travelling Guns
- Toro Tempus Automation
- Solar Wheel Mover
- Lawn & Turf Landscape

PUMPS & MOTORS

- Submersible Pumps
- Booster Pumps
- Centrifugal Pumps
- Turbine Pumps
- Valves
- Sump, Sewage & Effluent Pumps
- Water Treatment
- Controls
- Motors
- Tanks
- Fittings
- Solar Pumps & Accessories
- Wire
- Chemical
- Lift Stations
- VFDs, Starters & Soft Starts

WATERWORKS

- Civil Pipe
- Specialty Pipe
- HDPE Fusion Pipe
- Corp Brass & Valve
- Couplings & Clamps
- Specialty Valves
- Fire Hydrants
- Watermain Fittings
- HDPE Butt Fusion Fittings
- Restrainers
- Municipal Castings
- Service Tubing
- Service Boxes
- Sanitary Form Fittings
- Service Saddles
- Teleduct & Hydroduct
- Drainage Products

WILDFIRE RESPONSE

- Structure Protection
- Support Tanks
- Tohatsu Fire Pumps
- Be High Pressure Fire Pumps
- Be Wheeled Fire Pump Carts
- Wasp Gutter Mount Kits
- Lay-Flat Fire Hose
- Foresry Couplings/Fittings/Fire Nozzles
- Tohatsu Commercial Fire Pumps

HD CONDUIT

- Fiber Optic Cable
- Handholes & Vaults
- Splice Closures & Accessories
- Markers & Warning Tape
- Pedestals & Enclosures
- Tools & Accessories
- Inside Plant
- HDPE Conduit

SERVICES

- Certified Irrigation Design
- GPS Guidance
- Leasing and Government Grant Programs
- Continual Follow-Up Support
- Project Management

- Distribution
- Manufacturer's Rep
- Warranty Depot
- Consulting
- Startup & Commissioning
- Water System Design

- Water Treatment Design
- Repair and service
- Wastewater Design
- Pump & Package Builds
- Professional Take-Off Quotes

- Rent/Sell Protection Equipment
- Risk/Hazard Assessments
- Oil and Gas Installations
- Rapid Response Package
- Structure Protection
- Fire Line Support
- Helicopter Operation

- Stocking Conduit
- Stocking Vault Boxes



We are proud to be technical experts in our field, providing customer-focused, cost-effective, and intelligent solutions in irrigation and water systems. Our business is built on solid, long-lasting relationships, supporting our customers in both the everyday and complex.

Value Chain

Current Value Chain Overview



Supply Chain

Delta Water Products Group is committed to upholding ethical standards throughout our supply chain. We prioritize transparency and accountability, working closely with our suppliers to ensure compliance with laws and regulations prohibiting forced labour and child labour. Through due diligence and frequent monitoring, we aim to mitigate these risks and promote fair labour practices. Our ongoing efforts underscore our dedication to conducting business responsibly and ethically, safeguarding human rights across our operations.

The Delta Water Products Group of Companies has a diverse global network of suppliers with redundancies for most major products and categories. In 2024, approximately 52% of purchases were imported goods to Canada. We recognize that risks of forced labour and child labour exist and acknowledge that understanding and managing these risks requires a collaborative approach that includes our workforce and suppliers.



Supply Chain (Cont.)

Despite the challenges posed by tariffs, we remain steadfast in our commitment to sourcing materials and products responsibly. Our motivation is driven by a strong adherence to ethical practices and compliance with labor laws, ensuring that every vendor we engage with meets our high standards.

We partner with reputable vendors from diverse countries, including China, Italy, Spain, Mexico, and others. These partnerships are built on mutual trust and a shared dedication to fair labour conditions, and sustainable practices. Even with the possible introduction of tariffs, which may impact global trade dynamics, our resolve remains unwavering. This approach not only mitigates risks associated with regulatory changes but also reinforces our dedication to responsible and principled business operations.



Risk in Supply Chain

Our customs import data analysis provided additional insight when examining our supply chain for high-risk activities and suppliers for forced labour and child labour risks. This new Country of Origin information will be reviewed to a greater degree as it relates to our suppliers.

The supply chain for key commodities, such as pipes and fittings, is heavily reliant on sourcing from the United States. This dependence introduces potential vulnerabilities, particularly considering the tariffs expected to come into effect in FY 2025. Such tariffs could lead to increased costs, disruptions in procurement, and uncertainty in the availability of materials critical to our operations. Recognizing these risks, we are actively monitoring developments and exploring strategies to mitigate potential impacts.

Additionally, our sourcing practices are informed by a commitment to ethical principles, including a stringent focus on minimizing risks related to modern slavery. Due to the strong regulatory frameworks and labor protections in the United States, the risk of modern slavery in our supply chain for these commodities remains notably low.



Policies & Due Diligence

Our analysis and reporting to comply with the new annual requirements imposed by the Act reinforced the need to identify and understand any forced labour or child labour risks related to our business.

Resources have been brought in to analyze our supply chain and operational structure, including identifying the geographical regions, industries, and suppliers with high-risk exposure to forced labour and child labour. Working with supply chain managers, the initial steps will focus on improving collaboration and systematizing supply chain processes across the group of companies. Further progress was made in 2024 by enhancing supplier screening processes and implementing new compliance frameworks.

A significant achievement was attaining **WorkSafeBC** certification for some of our entities, which will continue to be a priority as we work to strengthen controls and expand training across our other entities in the coming year. This certification highlights our unwavering commitment to maintaining the highest standards of workplace safety and ensuring a secure, healthy environment for all employees. Being a WorkSafe-certified company underscores our dedication to adhering to stringent safety protocols and fostering a culture of safety across all levels of our organization.

Delta Water Products' Board of Directors is accountable for strategic objectives, including sustainability matters, and oversees the effectiveness of the risk management systems and internal controls.



Remediation & Training

Delta Water Products was not aware of any instances of forced labour or child labour in its operations and supply chains during 2024, therefore no remediation measures were required.

Delta Water Products will develop a universal Code of Conduct policy for all our businesses. All current and existing employees will be trained to ensure that they understand issues and risks within the supply chains. A revised training program was deployed, ensuring 100% onboarding coverage for new hires, with updated content aligned to the Act and global best practices. Ensuring the safety and preparedness of young and new workers is essential for maintaining a secure and responsible work environment. A proper orientation program introduces employees to health and safety standards, covering workplace regulations, protective equipment, emergency procedures, and hazard prevention strategies to minimize risks. It also educates workers in identifying and reporting workplace hazards, while providing access to first aid facilities.



*We're committed to
respecting human rights.*

Assessing Effectiveness

We are committed to developing a strong, transparent supply chain while respecting the human rights of every worker involved. We will strive to identify emerging risks and contribute to the fight against the use of forced labour and child labour in supply chains. Reporting on these new initiatives will be presented to the Board at regular Quarterly meeting intervals for their assessment.

To further this commitment, we will engage with suppliers through regular audits, training, and clear expectations to uphold our ethical standards. Building a responsible supply chain requires collaboration, transparency, and swift action when issues arise. We will use data-driven tools to monitor risks and promote continuous improvement, ensuring sustainable and socially responsible sourcing across all levels.



Report Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this 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.

I have the authority to bind Delta Water Products Group Holdings Ltd.

Chris Les

Chris Les, CEO
Dated: May 2025

