



Fisherman's Market International Incorporated

Fighting Against Forced Labour and Child Labour in Supply Chains Act. – Annual Report

May 2025

1. Introduction

This annual report is published in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) in relation to the fiscal year ended December 31, 2024. The Act requires that businesses state actions they have taken during the fiscal year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or any goods imported into Canada.

This report is prepared on behalf of Fisherman’s Market International Incorporated (“**Fisherman’s Market**”) and approved by Fisherman’s Market Board of Directors pursuant to subsection 11(2) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C., 2023, c.9.

Fisherman’s Market is committed to the principles of responsible sourcing with sustainability and social responsibility integral to our marine environment, communities, and the entire industry in which we operate. At Fisherman’s Market, we take pride in being a values-based company and doing the right thing for the right reasons, including working to prevent the use of forced labour and child labour in our supply chains.

2. Steps taken to prevent and reduce the risk of forced labour or child labour

While the significant majority of Fisherman’s Market’s economic inputs including labour, goods and services are derived from companies headquartered in Canada and from countries with a low prevalence of forced labour and child labour, we recognize that no country or business is immune to the risk of modern slavery. Fisherman’s Market is committed to taking a continuous improvement approach to mitigate the risk of forced labour and child labour in its supply chain.

Fisherman’s Market has reviewed its operations and assessed its supplier base for forced labour and child labour risk. While the overall risk has been assessed as low, for suppliers identified as having higher inherent risk we have undertaken additional due diligence as deemed appropriate for the specific supplier and risk level. Due diligence included review of suppliers’ code of conduct, human rights policies and procedures around forced labour and child labour, modern slavery reporting as well as the adoption of a social responsibility form which is sent to suppliers who import product from high-risk areas of the world, prior to making any purchase with the organization. The form outlines Fisherman’s Market values and expectations including transparency within the supply chain, a commitment to avoiding child labour, forced labour and human trafficking.

3. Structure, Activities and Supply Chains

Structure

Fisherman’s Market International Incorporated is a Canadian controlled private corporation founded in 1948 in Halifax, Nova Scotia which remains its base of operations today with its various divisions all Nova Scotia based. Fisherman’s Market is controlled by Mersey Seafoods Limited, a Canadian controlled private corporation headquartered in Liverpool, Nova Scotia.

Activities

Fisherman's Market has grown from a humble start in a weathered building on the Halifax waterfront to a diverse seafood company that sells and processes millions of pounds of seafood annually. Today, we are a wholesaler, retailer and exporter of all things seafood. We work with over 100 local suppliers and employ more than 150 skilled individuals, directly supporting hundreds of Maritime fishermen and their crews. We operate in six plants throughout Nova Scotia's fishing communities and three buying stations located right at the wharf. Our processors fillet by hand, more than 12,000 pounds of fish every day.

Supply Chains

Fisherman's Market is a seafood company dealing with a wide variety of species including but not limited to, halibut, salmon and scallops. The company specializes in lobster however, with the majority being purchased directly from Nova Scotia based harvesters. While limited amount of product is directly imported into Canada, for the fiscal year ended December 31, 2024, over 96% of goods and services were sourced from Canadian headquartered companies.

Fisherman's Market also provides employment to over 150 individuals across the province including foreign workers who are sourced through a reputable local recruiting agency, ensuring that all applicable labour laws are being followed. Fisherman's Market's commitment to prevent and reduce the risk of forced and child labour applies throughout our supply chain network from the direct seafood purchases from local fishers at wharfs across the province, to our suppliers nationwide and beyond. We expect our business partners to uphold these same principles within their operations and adhere to applicable human rights and employment standards laws.

4. Policies and due diligence processes in relation to forced labour and child labour

While the nature of our supply chain is inherently low risk driven by the fact that a significant majority of our economic inputs are derived from Canadian headquartered companies or from companies based in countries with a low prevalence of forced labour and child labour, we recognize that no country or company is immune from the risk of forced labour and child labour.

To this end, we evaluated the risk within our supply chain through the following:

- Identified top suppliers representing over 90% of goods and services purchased.
- Cross referenced supplier head office and base of operations to *Walk Free 2023 Global Slavery Index*, focusing specifically on prevalence rate and vulnerability score for the country.
- Reviewed type of spend to identify high risk products.
- Based on the above, determined inherent risk associated with supplier spend.
- For supplier spend identified as higher risk we undertook additional due diligence as deemed appropriate for the specific supplier and risk level. Due diligence included review of suppliers' code of conduct, human rights policies and procedures around forced labour and child labour, modern slavery reporting and the adoption of a social responsibility form. The form requires that the supplier agrees to the social responsibilities outlined including that their supply chain is free of forced labour and child labour.

As part of our ongoing commitment to ethical labour practices and compliance with Bill S-211, subsequent to year-end and prior to the issuance of this report, Fisherman's Market updated our Employee Code of Conduct with the goal to strengthen focus on identifying and mitigating the risks of forced and child labour within our supply chain. An updated section on Human Rights was included, reinforcing our zero-tolerance policy and outlining clear expectations for employees including a forum for reporting any concerns identified. This update embeds human rights principles into our core governance framework and promotes a culture of accountability across our operations.

Subsequent to the end of the fiscal year, our parent company has engaged a third-party consulting firm to support the development of a companywide Environmental, Social, and Governance (ESG) strategy. With their guidance, we are currently working to enhance our operational practices and improve our reporting processes across key ESG areas to ensure improved transparency and alignment with best practices. It is anticipated that this work will aid in further enhancing our policies and due diligence processes in relation to forced labour and child labour in future fiscal years.

5. Parts of business and supply chain that carry risk

Seafood imports have been identified as an at-risk product for forced labour and child labour. Far and above the largest expense for Fisherman's Market is the direct purchase of seafood from local suppliers within Nova Scotia. While we understand that no industry in any region of the world is without risk of forced labour, when it comes to the overall risk of forced labour across the world, Canada is consistently ranked in the lowest decile.

Furthermore, when purchasing directly from fishers, as a service provided, Fisherman's Market is often responsible for allocating payment between crew members, properly taking government remittances and issuing annual T4 employment statements in accordance with Canada Revenue Agency requirements. This results in a level of oversight that, combined with the strong relationships that have been cemented with fishers over the years, helps to ensure that individuals involved in the seafood harvesting process have been appropriately compensated for their efforts.

Fisherman's Market reviewed seafood purchases from local fishers, combined with those from top suppliers making up over 90% of the company's total purchases in 2024. Of these suppliers, only two provide goods which are imported directly to Fisherman's Market from outside of Canada with both of these suppliers operating out of Norway, which has one of the lowest prevalence of forced labour per capita and the lowest vulnerability score of any country in the world.

Fisherman's Market identified seafood suppliers importing products from higher risk countries and engaged in additional due diligence including confirming the companies had up-to-date certifications for sustainable fishing and social responsibility, investigating their commitment to minimizing the prevalence of forced labour within their supply chain and providing social responsibility forms. With these efforts made to reduce the risk of forced labour, Fisherman's Market was satisfied that those suppliers which carried additional risk have considered their own supply chain and had carried out steps to reduce this risk.

Fisherman's Market employs foreign workers within our seafood processing plant and buying stations in Nova Scotia. Employees are sourced through a licensed recruiter based in Nova Scotia adhering to all labour laws. The recruiter identifies individuals that are a good fit for the job requirements and

company with the prospective employees receiving a criminal background check and medical exam before applying for a Canadian VISA to ensure there are not underlying issues and they can legally be employed in Canada. Throughout the year, Fisherman's Market maintained strong compliance within the program, leading to an elevation in status to Recognized Employer Pilot (REP). This designation granted extended validity periods for prospective employees and access to a streamlined application process. All applicable laws and regulations including human rights legislation are adhered to as part of their employment with Fisherman's Market.

6. Remediation of any forced labour or child labour

Fisherman's Market has not identified any instances of forced or child labour in its activities and supply chains for the year ended December 31, 2024, and as a result no remediation measures have been taken.

7. Remediation of loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains

Fisherman's Market has not identified any instances of forced or child labour in its activities and supply chains for the year ended December 31, 2024, and as a result has not needed to take any measures to eliminate the use of forced labour or child labour. Accordingly, there has been no loss of income to remediate.

8. Training provided to employees on forced labour and child labour

In Fiscal 2024 a cross-company working group was created with representation from leaders throughout all Mersey Seafoods controlled companies, including Fisherman's Market, with a focus on the following: (1) understanding the requirements of the Act (2) sharing best practices as it relates to managing risk of modern labour and child labour in the supply chain and (3) identifying, aligning and executing on continuous improvement opportunities as it relates to policies and procedures aimed at mitigating the risk of forced labour and child labour throughout the supply chain.

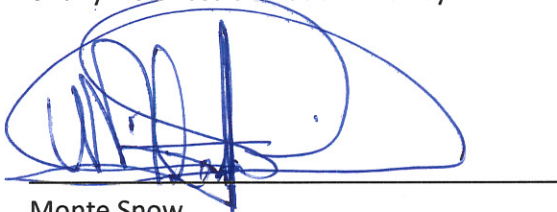
During the year, senior leaders throughout the company, including those with procurement responsibilities, completed a third-party course on Canada's Modern Slavery Act which focused on education including definition, prevalence and implications of modern slavery in Canada and globally as well as approaches to combat. The program was well-received by participants, and the organization remains committed to ongoing employee education to reinforce the importance of partnering with businesses that actively address and mitigate these critical human rights risks.

9. Effectiveness assessments to ensure that forced labour and child labour are not being used in our business and supply chains

Based on our internal mapping and supply chain risk assessment, policies and practices in place, Fisherman’s Market considers its actions with respect to mitigating the risk of modern slavery in its operations to be effective. Fisherman’s Market is not aware of any instances of modern slavery within its operations or supply chain and believes the overall risk of modern slavery is low. We will continue to monitor our supply chain to assess risk, conduct due diligence into higher risk suppliers as deemed appropriate and take a continuous improvement approach to our policies, procedures, training, and education to mitigate and reduce the risk of forced labour of child labour in our operations and supply chain.

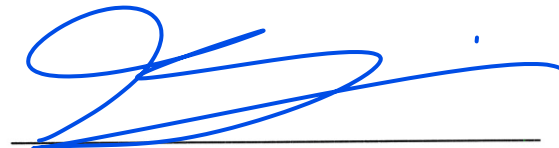
Conclusion & Attestation

The Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Fisherman’s Market International Incorporated. 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 entity 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 end December 31, 2024. Furthermore, Fisherman’s Market is not aware of any instances of modern slavery within its supply chain and believes the risk of modern slavery is low.



Monte Snow
Director and President
Fisherman’s Market International Inc.
May 29th, 2025

I have the authority to bind FMII



Greg Simpson, CA, CPA
Chairman of the Board
Fisherman’s Market International Inc.
May 29th, 2025

I have the authority to bind FMII