



PO Box 3069, 25 South Service Road, St Marys, On, N4X 1A7

www.delmarfoods.ca

2025 Annual Report on Bill S-211: Forced Labour and Child Labour Delmar Foods

1. Structure, Activities, and Supply Chains

2573486 Ontario Ltd, operating as Delmar Foods, has prepared this Bill S211 Reporting pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. All references in this policy to “we”, “us”, “our” or “Delmar Foods” refers to 2573486 Ontario Ltd unless otherwise indicated.

Delmar Foods manufactures food products (sauces, condiments, etc.) at its St. Marys, Ontario facility. We source ingredients from both Canadian domestic suppliers and international suppliers - primary imported inputs include tomato paste, starches, flavours, oils, vinegars, herbs and spices, etc. as well as various types of plastic, glass and corrugate packaging. Countries of origin documented via Certificate of Origin include Canada, USA, Italy, China, India. As a family-owned company, we understand the importance of a positive presence in our community. We strive to always act ethically and with integrity in our business.

2. Policies and Due Diligence Processes

At Delmar Foods, we are dedicated to upholding and defending the human rights of all those who interact with our company, including our staff, contractors, suppliers, customers, and members of the community.

We view child and forced labour as unacceptable in our operations and supply chains. We are committed to fair treatment and just compensation for everyone involved in our value chain, and to working collaboratively with our suppliers to uphold these standards. Our due diligence approach is based on documentation review. We obtain a Certificate of Origin for every ingredient we purchase, which allows us to identify the country of origin of all inputs and assess associated risk. As for suppliers which are subject to Canadian Food Inspection Agency requirements, we verify compliance documentation as part of our standard procurement process. Where imported ingredients originate from higher-risk jurisdictions, country of origin is documented and retained on file.

We do not currently have a standalone written policy specifically addressing forced and child labour. We commit to formalizing such a policy in the subsequent reporting year.



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3. Parts of the Business Carrying Risk, and Steps Taken

Delmar Foods has initiated a supply chain risk assessment to identify ingredients and materials that may carry a risk of forced or child labour. As part of this process, we cross-reference our ingredient portfolio against the U.S. Department of Labor List of Goods Produced by Child Labour or Forced Labour to identify higher-risk commodity categories and countries of origin.

Based on this assessment, we have identified imported ingredients sourced from higher-risk jurisdictions — primarily China — as the area of greatest potential exposure within our supply chain. Certificates of Origin are obtained for all purchased ingredients, providing documented visibility into the country of origin for every input we use.

We acknowledge that our risk assessment process is in its early stages. In the subsequent reporting year, we commit to formalizing our risk criteria and expanding supplier-level review for ingredients identified as higher risk.

Delmar Foods practices equal opportunity and fair hiring processes when filling positions. It strives to hire only the most qualified individuals, based on their knowledge, skills, abilities, and other competencies. We have adopted this policy to ensure that all employees and potential candidates are considered for employment opportunities through a consistent, fair, and barrier-free approach. In the interest of creating and maintaining a safe work environment for all employees, Delmar Foods does not employ anyone under the age of 18. Additionally, we do not use third party agencies to assist us in our hiring process.

With respect to our own operations, Delmar Foods assessed the risk of forced and child labour as low. Considering the government support for immigration plans, Delmar Foods provides opportunities for foreign workers that are currently as a temporary resident in Canada holding a valid work permit visa that are over 18 years old. We verify the legitimacy of the documentation provided (work visa and SIN). We are proud of supporting foreign workers to achieve their goals towards to Permanent Residency.

All employees at Delmar Foods have a shift of 40-44 hours per week. When overtime is needed, it is offered in a voluntary basis and are paid overtime.

4. Remediation of Forced or Child Labour Identified

To date, we are not aware of any instances of Modern Slavery in our operations or supply chains, and as such, no remediation activities have been undertaken by Delmar Foods.

5. Remediation of Income Loss to Vulnerable Families

Delmar Foods has not identified any instances of forced or child labour in its operations or supply chains during the reporting period. As no measures to eliminate forced or child labour were required, no families experienced loss of income as a result of our actions. Accordingly, no remediation of income loss was undertaken.

6. Training Provided to Employees

Delmar Foods has not yet implemented formal training on forced and child labour. Employees are made aware of the Delmar Foods Whistleblower Help Line, which can be used by employees to anonymously report any concerns regarding forced labour and child labour as well as other topics. We commit to incorporating awareness training into our onboarding procedures in the upcoming reporting year.

7. Effectiveness Assessment

As this is our first reporting year, a formal effectiveness assessment framework has not been established. We intend to develop measurable criteria — including supplier response rates to origin documentation requests and employee awareness of reporting mechanisms — for the subsequent reporting period.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I, Dorothy Pethick, VP Operations of 2573486 Ontario Ltd, operating as Delmar Foods, attest that I have reviewed the information contained in this report on behalf of the governing body of the entity.

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 January 1, 2025 – December 31, 2025.

Signed: Dorothy Pethick

Name: Dorothy Pethick

Title: Vice President Operations

Date: 4/28/2026