



Commercial Bakeries Corporation

Fighting Against Forced Labour and Child Labour in Supply Chains Act Report 2025

Introduction

The *Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) requires that businesses disclose the actions they have taken during the most recently completed fiscal year to prevent and reduce the risk of forced labour or child labour within their operations and supply chains. This report (“Report”) is prepared solely for Commercial Bakeries Corp. (“CBC” or the “Company” or “we” or “our”), which has an obligation to publish a report under the Act.

This Report refers to the 2025 fiscal year end, being June 30, 2025 (the “Reporting Year”), and describes steps taken by the Company up to and including June 30, 2025.

At CBC, respect for human rights remains a fundamental corporate responsibility and a core value guiding all of our activities. We recognize our responsibility to respect and protect the human rights of all individuals who support and intersect with our business, including employees in our facilities and workers—such as migrant and temporary labourers—within our supply chain network. Our customers trust that the products manufactured in our facilities originate from suppliers that uphold safe, fair, and ethical working conditions.

CBC remains committed to preventing and reducing the risk of forced labour and child labour across our operations, our business partners, and our supply chain. We continue to expect our suppliers (and their contractors, agents, subcontractors, sub-agents, and labour agencies) to uphold these same principles and comply with applicable human rights and employment standards laws.

During the Reporting Year, CBC continued to assess risks of forced labour and child labour in our activities and supply chains, engaged with supply chain partners on these issues, and further integrated the Supplier Code of Conduct (implemented August 27, 2024) into supplier communications and expectations.

Our approach to preventing modern slavery remains part of our broader corporate responsibility framework. We continue to adopt procedures designed to ensure that modern slavery does not occur in our business or supply chains, and we expect all organizations with whom we do business to adopt policies that comply with relevant legislation.

Structure, Activities and Supply Chain

Structure

CBC is a corporation incorporated in the Province of Ontario pursuant to articles of amalgamation under the *Business Corporations Act* (Ontario). Our shares are not listed on any Canadian or international stock exchange. The Company’s registered head office is located in Toronto, Ontario.

Originally established in the early 1950s, CBC has grown into a prominent manufacturing company specializing in private label cookie products. As a pioneer of the private label concept in the 1970s, CBC has evolved into a leading private label and private brand supplier, serving a wide range of clients and shipping high-quality products worldwide.

Activities

CBC remains exclusively dedicated to private label cookie manufacturing, serving a substantial portion of the North American market. Our diverse product line continues to evolve to meet consumer preferences, including sugar-free, gluten-free, organic, kosher, and portion-controlled options. CBC maintains certifications as an organic, kosher, and peanut-free facility, reflecting our commitment to safety, quality, and inclusivity.

CBC's products are distributed across Canada, the United States, and international markets including Asia, Europe, South Africa, Australia, and the Caribbean.

Supply Chain

CBC's product development and procurement teams work closely with third-party suppliers to develop and manufacture products. CBC also sources goods internationally, including when acting as the Importer of Record ("IOR").

For the 2025 Reporting Year, CBC sourced goods from the United States, the Philippines, Malaysia, Indonesia, France, Germany, Denmark, India, China, Italy, and Peru.

Policies, Programs and Due Diligence Processes

CBC continues to embed responsible business conduct into its policies and operational practices, both internally and throughout our supply chains.

Policies

CBC maintains several policies relevant to preventing forced labour and child labour, including:

- **Supplier Code of Conduct** (implemented August 27, 2024), which prohibits forced labour, child labour, recruitment fees, retention of identity documents, and restrictions on freedom of movement.
- **Employee Code of Conduct**, requiring ethical behaviour and compliance with legal obligations.
- **Responsible purchasing expectations**, requiring suppliers to meet CBC's standards for safety, legality, and ethical conduct.
- **Employment policies** aligned with the *Ontario Human Rights Code*, *Employment Standards Act, 2000*, and the *Accessibility for Ontarians with Disabilities Act*.

Due Diligence Processes

CBC's due diligence processes include:

- Supplier evaluation and approval by the procurement team prior to engagement.
- Verification of age through government-issued identification during recruitment.
- Ongoing supplier communication regarding expectations under the Supplier Code of Conduct.
- Monitoring supplier compliance through documentation review and risk-based assessments.
- Integration of the Supplier Code of Conduct into supplier onboarding and relationship management.

Assessing and Managing Risk

CBC recognizes that the risk of modern slavery varies by industry and jurisdiction, and that these risks remain elevated in the food processing and manufacturing sector. We acknowledge that the procurement of raw materials often occurs further upstream in the supply chain, outside of our direct supplier relationships. This limits our visibility into the origin of certain raw materials used in the manufacturing of components incorporated into our products.

To assess and manage the risks associated with forced labour and child labour, CBC continued to rely on third-party social compliance audits. A Sedex Members Ethical Trade Audit (“SMETA”) was conducted on January 10, 2025, and no major findings were identified.

CBC’s next SMETA audit was completed on March 9–11, 2026, after the Reporting Year. While outside the scope of this Report, the 2026 audit continues to support CBC’s commitment to ongoing independent verification of its practices.

CBC continues to review supplier documentation, monitor compliance with the Supplier Code of Conduct, and engage with suppliers to reinforce expectations related to ethical labour practices.

Remediation Measures

CBC continues to strengthen its approach to addressing potential instances of forced labour and child labour within its operations and supply chains. As part of the ongoing development of our due-diligence program, CBC has formalized a remediation framework designed to ensure that the Company is prepared to respond appropriately should any instance of forced labour or child labour be identified.

Consistent with the requirements set out in CBC’s Supplier Code of Conduct, and in alignment with internationally recognized standards including guidance from the International Labour Organization (ILO) and applicable legal requirements, CBC has developed a procedure outlining how cases of child labour would be remediated if identified. This procedure is designed to prioritize the best interests, safety, and wellbeing of the child and includes:

- **Immediate safeguarding measures** to ensure the child is removed from hazardous or inappropriate work.
- **Engagement with the supplier** to develop and implement corrective actions that address root causes and prevent recurrence.
- **Support measures for the affected child**, which may include facilitating access to education or other appropriate services, consistent with ILO guidance.
- **Monitoring of supplier progress** to ensure corrective actions are implemented effectively and in a timely manner.
- **Escalation measures**, including suspension or termination of the business relationship, where remediation is not possible or where violations are severe.

CBC’s broader remediation framework also includes:

- **Clear internal escalation procedures** for reporting, investigating, and documenting concerns.
- **Defined corrective action expectations** for suppliers in cases of forced labour or child labour.

- **A commitment to avoid causing loss of income to vulnerable workers**, and to work with suppliers to ensure that corrective actions do not negatively impact affected individuals or families.

To date, CBC has not identified any specific instances of forced labour or child labour within its operations or supply chain. As such, no remediation activities have been required, and no measures have been necessary to address any loss of income resulting from actions taken by CBC.

CBC maintains internal reporting channels and a whistleblower mechanism to allow employees and stakeholders to raise concerns confidentially. With the formalization of our remediation framework, including a child-labour-specific procedure aligned with ILO guidance, CBC is equipped to take appropriate, timely, and ethical corrective actions should any substantiated case arise.

Training Provided to Employees on Forced Labour and Child Labour

Employees continue to be familiarized with CBC's policies and procedures regarding ethical labour practices, including our zero-tolerance policy toward forced labour and child labour. Employees are trained on how to report concerns or suspicions through appropriate channels.

Annual Refresher Training

CBC continues to provide annual refresher training to reinforce awareness of forced labour and child labour risks. These sessions help ensure employees remain informed about:

- indicators of forced labour and child labour
- relevant laws and regulatory requirements
- high-risk industries and regions
- best practices for reporting concerns
- CBC's expectations under the Employee Code of Conduct and Supplier Code of Conduct

This training supports vigilance across the organization and strengthens CBC's ability to identify and address potential risks.

Responsibilities and Accountability

Employees continue to be informed of their responsibilities in upholding ethical labour practices and the consequences of non-compliance. CBC emphasizes that adherence to these standards is essential to maintaining the Company's integrity and reputation. Procurement personnel have additional responsibilities related to supplier evaluation, documentation review, and ongoing supplier engagement.

Assessing Effectiveness

CBC continues to implement measures to prevent and reduce the risk of forced labour and child labour in its operations and supply chains. While CBC has begun assessing the effectiveness of these measures, the Company intends to continue and enhance its efforts to evaluate the impact of its due-diligence activities.

CBC's approach to assessing effectiveness includes:

- monitoring supplier compliance with the Supplier Code of Conduct
- reviewing the results of third-party audits
- tracking employee training completion
- evaluating any grievances or reports received
- reviewing year-over-year improvements in risk management practices

As of June 30, 2025, CBC has not identified any instances of forced labour or child labour and has therefore not been required to undertake remediation or corrective actions.

CBC remains committed to acting ethically, transparently, and with integrity. The Company continues to strengthen its systems and controls to safeguard against forced labour and child labour within its business and supply chain.

Approval and Attestation

The Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Company's Board of Directors.

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 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.



"Nicholas White" (signed)

Nicholas White

Chief Operations Officer
Commercial Bakeries Corp.

I have authority to bind Commercial Bakeries Corp.

**RESOLUTIONS OF THE BOARD OF DIRECTORS
OF
COMMERCIAL BAKERIES CORP.**

(the “Corporation”)

May 12, 2026.

FIGHT AGAINST FORCED LABOUR AND CHILD LABOUR REPORT

WHEREAS:

- A. Reference is made to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).
- B. Pursuant to section 11 of the Act, certain entities are required to submit an annual report regarding the measures taken to combat forced labour and child labour in their supply chain (a “Report”) and a questionnaire (the “Questionnaire”).
- C. The Corporation is required to submit the Report and the Questionnaire.
- D. Pursuant to section 11 paragraph (4)(a) of the Act, the Corporation wishes to approve the Report for the fiscal year ended June 30, 2025, substantially in the form circulated to the board of directors of the Corporation, which is annexed to these resolutions as Appendix “A”, and the Questionnaire.

BE IT RESOLVED THAT:

- 1. The Report is approved and any officer or director of the Corporation is authorized and directed, for and on behalf of the Corporation, to sign the Report with such amendments or variations thereto as he or she may approve, his or her execution of the Report is conclusive evidence of such approval, and the Report so executed is authorized by this resolution.
- 2. Any director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to do all such acts and things and execute, deliver and file any and all documents and agreements as such director or officer may, in his or her sole discretion, determine to be necessary or useful in connection with the foregoing, such determination to be conclusively evidenced by the doing of any such act or thing or the execution, delivery and/or filing by such director or officer of any such document or agreement, including filing of the Report and the Questionnaire.
- 3. These resolutions may be executed in counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same document. Delivery of an executed counterpart of these resolutions by facsimile, portable document format or other means of electronic communication (PDF) shall be equally effective as delivery of an original executed counterpart of these resolutions.

[SIGNATURE PAGE FOLLOWS]

THE UNDERSIGNED, being all of the directors of the Corporation, sign the foregoing resolutions in accordance with the *Business Corporations Act* (Ontario) as at the date first written above.

A handwritten signature in blue ink that reads "Shawn Warren". The signature is written in a cursive style with a horizontal line extending from the end of the name.

SHAWN WARREN

Board Member