Mersey Seafoods Limited

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

May 2026

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 November 30, 2025. 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 Mersey Seafoods Limited **("Mersey")**, a reporting entity under the Act and it's 100% owned subsidiary Mersey Marine Limited **("Mersey Marine"),** Shelburne Ship Repair Limited **("Shelburne Ship Repair**"), a company divested in 2025 which was previously 100% owned by Mersey, and Scotia Harvest Inc. **("Scotia Harvest")** a business controlled by Mersey. Fisherman's Market International Incorporated **("Fisherman's Market"),** a business controlled by Mersey also meets the definition of an entity under the Act and has issued its own report.

At Mersey, we take pride in being a values-based company with a mission to foster sustainable ocean prosperity in Atlantic Canada. Our purpose is to empower communities through employment, quality of life, and premium seafood supply and our vision to be an innovative and respected leader in our industries, good stewards of our resources, and a company we can all take pride in. Our purpose and vision are supported by a commitment to our values – safety, quality, stewardship, integrity, and authenticity. Mersey is committed to 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 risks of forced labour and child labour

While the significant majority of Mersey'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. Mersey is committed to taking a continuous improvement approach to mitigate the risk of forced labour and child labour in it's supply chain.

Mersey has reviewed its operations, including the operations of those companies it controls included in this report, and has 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 and supplier attestations.

3. Structure, activities and supply chains

Structure

Mersey Seafoods Limited is a Canadian controlled private corporation founded in 1964 in Liverpool, Nova Scotia where its head office remains today. Mersey has one 100% owned subsidiary, Mersey Marine, and divested a previously 100% owned subsidiary, Shelburne Ship Repair, in 2025. Mersey also has a controlling ownership stake in two other Canadian controlled private corporations, Scotia Harvest and Fisherman's Market. All companies maintain their head offices and base of operations in Nova Scotia.

Activities

Mersey Seafoods is one of Atlantic Canada's largest privately owned vertically integrated seafood companies, exporting to international markets around the world. Mersey owns a fleet of 3 large fishing vessels harvesting offshore scallops and groundfish with a modern scallop processing facility in Liverpool, Nova Scotia and a cold storage facility in Country Harbour, NS. Mersey divested a large factory freezer trawler and northern shrimp license in 2026. Mersey also owns and operates the Port Mersey Wharf in Brooklyn, NS, a key hub for the marine community that provides a range of services, including wharfage for local fishermen, a fishing supplies store, a lobster buying station, and bait sales.

Fisherman's Market is a Halifax, Nova Scotia based retailer, wholesaler, and exporter of fresh, frozen, smoked, and salted seafood, including world-famous Atlantic lobster, both live and frozen. Under the leadership of their experienced management team and with approximately 150 dedicated employees across multiple locations throughout Nova Scotia, Fisherman Market sells locally, nationally, and internationally in over 20 countries.

Scotia Harvest is a vertically integrated seafood company based in Seabrook, Nova Scotia, next to the world-famous scallop port of Digby, Nova Scotia. With a fleet of vessels specializing in scallop and groundfish harvesting, the company proudly collaborates with affiliated and independent harvesters while also importing high quality seafood for sales for domestic and international markets.

Mersey Marine is a ship repair business based in Liverpool, Nova Scotia and Shelburne Ship Repair is a ship repair business based in Shelburne, Nova Scotia.

Supply Chains

Mersey Seafoods and Scotia Harvest are both vertically integrated seafood companies whose primary species include scallops, coldwater shrimp, redfish, and haddock with additional species harvested at lower volumes. Seafood sourced from Canadian waters (the vast majority from Nova Scotia based harvesters) made up approximately 99% of seafood sales for the year ended November 30, 2025, with approximately 78% of seafood revenue derived from seafood caught by our own fishing fleet and adhering to all laws and regulations including human rights legislation.

Other goods and services required to support both our seafood and ship repair operations are sourced through a combination of local, national, and international companies including contractors, subcontractors, vendors, and consultants. For the fiscal year ended November 30, 2025 greater than 95% of good and services were sourced from Canadian headquartered companies.

Mersey Seafoods, Scotia Harvest, Mersey Marine and Shelburne Ship Repair do not employ any temporary foreign labour directly in the operations including on boats, on shore, in processing plants or ship repairs facilities.

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 vertically integrated nature of our seafood companies and 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 within each company representing over 90% of goods and services purchased.
- Mapped our supply chain to cross reference 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 than low 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 supplier attestations.

As part of our ongoing commitment to ethical labour practices and compliance with Bill S-211, during the fiscal year Mersey 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. Further, during the fiscal year a company wide Respectful Workplace Policy was rolled out reinforcing Mersey's commitment to building and preserving a psychological safe, productive, inclusive and healthy working environment for its employees, free from violence, bullying or harassment. This policy clearly outlines guidelines, responsibilities, risk assessment and prevention and reporting.

Also, during 2025, Mersey engaged a third-party consulting firm to support the development of our 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. Part of the business and supply chains that carry a risk of forced labour and child labour and steps taken to manage that risk.

Seafood imports have been identified as an at-risk product for forced labour and child labour. Through our supply chain mapping we have identified that less than 0.5% of our consolidated seafood sales originated from countries identified as high risk. While not the importer of record, we have further mitigated the risk of forced labour and child labour through supplier attestations where deemed appropriate.

6. Remediation of any forced labour or child labour

Mersey has not identified any instances of forced or child labour in its activities and supply chains for the year ended November 30, 2025, and as a result no remediation measures have been taken.

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

Mersey has not identified any instances of forced or child labour in its activities and supply chains for the year ended November 30, 2025, 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 & education provided to employees on forced labour and child labour

A cross company working group with representation from leaders throughout all Mersey controlled companies was created 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.

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. Assessing effectiveness in ensuring 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, Mersey considers its actions with respect to mitigating the risk of modern slavery in its operations to be effective. Mersey is not aware of any instances of modern slavery within its operations or supply chain and believes the 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

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that the Board of Directors of Mersey Seafoods Limited has reviewed the information contained in this report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all materials respects for the purposes of the Act, for the reporting year ending November 30, 2025. Furthermore, Mersey is not aware of any instances of modern slavery within its supply chain and believes the risk of modern slavery is low.

Greg Simpson
CEO
Mersey Seafoods Limited
May 29th, 2026

I have the authority to bind Mersey Seafoods Limited