

Clearwater Seafoods Incorporated
2026 Annual Report on
Fighting Against Forced Labour and Child Labour in Supply Chains

1. Introduction

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”) requires reporting entities to report on the actions they have taken during the previous fiscal year to prevent and reduce the risk of forced labour or child labour within their operations and supply chains in addition to other disclosure requirements. This report constitutes the joint report of Clearwater Seafoods Incorporated (“**CSI**”) and certain of its subsidiaries listed below (collectively, “**Clearwater**”) for the fiscal year January 1 to December 31, 2025 (the “**Report**”). As a global seafood company, Clearwater Fine Foods (Europe) Limited, a United Kingdom (“**UK**”) indirect subsidiary of CSI, files a similar report under the UK Modern Slavery Act, 2015.

The report has been prepared by CSI, on behalf of itself and its subsidiaries listed below, all of which have reporting obligations under the Act:

- Clearwater Seafoods Limited Partnership (Nova Scotia) (“**CSLP**”), by its Managing General Partner, CS ManPar Inc. (Canada)
- Clearwater Seafoods Holdings Inc. (Canada)
- Clearwater COPV Investments Limited Partnership (Nova Scotia)
- Clearwater Ocean Prawns Venture (Nova Scotia)

(collectively referred to as “**Clearwater**”, “**we**”, “**us**” or “**our**”).

As a holding company, CSI substantially relies on its operating subsidiary, CSLP, to manage and monitor its supply chain operations and compliance programs. CSLP is responsible for the business operation, including lease of assets and property in connection with the harvesting, processing, distribution and marketing of seafood.

Clearwater is committed to conducting business in adherence with the highest standards of integrity, responsibility, and ethical behaviour. Clearwater’s commitment to protecting human rights and responsible labour practices is founded on its strong belief in doing the right thing. The way its operations and global supply chain partners uphold these commitments to human rights, including preventing forced labour and child labour, is critical to Clearwater’s long-term business success.

Clearwater has a zero-tolerance approach to forced labour and child labour within the organization itself and its supply chains and is committed to conducting business ethically to ensure that the risk of forced and child labour taking place within the business, or its supply chains is mitigated.

2. Structure, Operations Activities, and Supply Chains

Clearwater’s business was founded in 1976. CSI is a Canadian private company, existing under the Canada Business Corporations Act (“**CBCA**”). On January 25, 2021, pursuant to a plan of arrangement under the CBCA, CSI was acquired by Premium Brands Holdings Corporation and a coalition of First Nations.

CSI's investments include the ownership of 100% of the limited partnership units of CSLP and 100% of the common shares of CS ManPar Inc., the general partner of CSLP. Clearwater Seafoods Holdings Inc. is a wholly owned subsidiary of CSLP. Both Clearwater Seafoods Holdings Inc. and Clearwater Ocean Prawns Venture are indirect subsidiaries of CSI.

The registered and head office of Clearwater is located at 757 Bedford Highway, Bedford, Nova Scotia, B4A 3Z7.

Clearwater is based in Nova Scotia and is one of North America's largest vertically integrated seafood companies operating around the world with approximately 1,000 employees globally. Clearwater is recognized globally for its superior quality, food safety and diversity of premium wild-caught seafood, including scallops, lobster, clams, coldwater shrimp, Greenland halibut, and crab.

As a leading harvester, processor, and marketer of sustainably sourced seafood and through its network of vessels, facilities and offices, Clearwater supplies its products to wholesalers, retailers, and foodservice distributors throughout the world. Clearwater sells its products globally under both the Clearwater and private label brands.

Clearwater is a vertically integrated seafood company, meaning that it controls multiple stages of its seafood supply chain including harvest, processing, distribution, marketing, and retail. Clearwater sources most of its seafood directly from wild fisheries where the seafood is caught from its natural habitat, through its own operations or those of its business partners.

Clearwater's scallops are sourced from Canada, the UK, and Argentina. Clearwater's scallops sourced from Canada are harvested by vessels operated by Clearwater. Clearwater's scallops sourced from the UK are harvested by vessels operated by Clearwater Fine Foods (Europe) Ltd., a wholly owned indirect subsidiary of CSI. Lastly, Clearwater's scallops sourced from Argentina are harvested by vessels operated by Glaciar Pesquera, a business venture of Clearwater.

Clearwater's lobster, clams, coldwater shrimp, and Greenland halibut are harvested from vessels in Canada operated by Clearwater.

Clearwater buys snow crab harvested in Canada directly from independent vessel operators.

Other goods and services required to support fishing and seafood processing operations are sourced through a combination of local, national, and international companies including contractors, subcontractors, vendors and consultants.

Clearwater operates management offices and processing facilities in Nova Scotia and Newfoundland and Sales offices in Canada, the US, the UK, and China. Clearwater also uses subcontracting services in the USA, France, and China. Clearwater procures logistics and cold storage services globally.

3. Our Policies and Principles

Clearwater is dedicated to maintaining a fair and ethical workplace for all our staff. Clearwater has established a range of policies and measures which address issues relevant to forced and child labour, including:

- Clearwater's onboarding process includes the review of our specific policies such as the Whistleblowing Policy, Business Code of Conduct, including Anti-Bribery and Corruption Policy.

- An Enterprise Risk Management Committee that utilizes a risk assessment framework to identify areas of potential risk in the business, including forced labour, child labour, or human trafficking within its supply chain.
- Written contracts with suppliers and vendors where appropriate.
- Distribution of a Supplier Code of Conduct to suppliers.
- Corporate practices which reinforce our commitment to combating forced labour and child labour.
- Policies and procedures to promote diversity, establishing mutual respect as a core value in the office and which addresses discrimination, harassment, and bullying.

To ensure that we recruit and treat employees fairly, eliminating forced labour and child labour at all costs, our human resources policies set out our procedures on how we:

- recruit and select employees in a fair, lawful, and professional manner, both for internal and external candidates.
- prohibit the use of worker-paid recruitment fees.
- treat all employees fairly during their employment and, if there is an occasion when an employee does not feel that they have been treated fairly, there are procedures in place to raise a grievance or involve a local trade union, where they exist, or where this is a legal requirement to do so.
- manage the exit of an employee from the business in a fair and consistent manner, including by conducting exit interviews whenever possible.
- provide fair working conditions for all our employees, including terms and conditions of employment, remuneration, working hours, health and safety, resting time, holiday entitlements and benefits. These are applied according to territory-specific statutory requirements. Our employees' pay will not be lower than that required by law, or, in the absence of a law, the level paid generally within that industry. Furthermore, Clearwater undertakes regular compensation and benefits market benchmarking to ensure they exceed requirements wherever is possible.
- ensure all workers across Clearwater as well as its suppliers must work under voluntary conditions. Clearwater and its suppliers are not permitted to use any form of forced or involuntary labour, including prison labour, indentured labour, bonded labour, military labour, slave labour or any form of human trafficking. The use of child labour that contravenes local labour laws within Clearwater's operations or our suppliers' operations is strictly prohibited.

4. Parts of the business supply chain that carry a risk of forced and/or child labour and steps taken to manage that risk

We acknowledge that any part of a business can be at risk of forced and/or child labour but that certain industries are more vulnerable than others. Clearwater's procured seafood business lines may have a higher risk of labour exploitation than those business units that are vertically integrated. This is due to our lack of direct oversight over the employment practices in these parts of our business supply chain. Additionally, foreign countries with different labour regulations can present challenges in monitoring and compliance with our ethical labour practices.

The following action steps have been undertaken by Clearwater with the aim of ensuring that the risk of forced or child labour taking place in any part of our business or our supply chains is mitigated:

- The Business Code of Conduct, which has recently been updated, describes what we must do and how we must behave to ensure we have the trust of all our stakeholders. It details how we will create better outcomes in line with our purposes and values. All employees are required to review and sign our Business Code of Conduct annually.
- Working with skippers and crews to ensure an understanding of current rules and regulations applicable to fishing operations in Canada.
- Standard terms and conditions of employment (including crewing contracts) are regularly reviewed, ensuring that the relationship between employees and the business continues to remain fair and equitable.
- Where we work with recruitment agencies, they must comply with our rigorous due diligence assessment to ensure that they are recruiting in line with our policies, values and focus on driving inclusive and values-based recruitment practices.
- Our Whistleblowing Policy outlines processes and channels for internal reporting.
- Our Grievance Policy enables employees to raise concerns, problems or complaints relating to the terms of their employment, health and safety, work environment or working practices.
- Clearwater endeavours to procure supplies directly on our own or through other Canadian-administered vessels and harvesting companies, ensuring a single tier supply chain in most cases for all seafood.
- Clearwater continues to work to develop personal relationships with its commercial partners to better understand them and foster long-term relationships to ensure that partners share our business values.
- In jurisdictions with a known higher risk of unethical labour practices, we have requested third-party ethical labour audits of subcontractors.
- In addition to government surveillance and audits that occur at every stage from fishing, processing and delivery of all our products, as part of our best practices we continue to undertake self-evaluation regularly through regular review of hiring and payroll practices.

Clearwater abides by an independent third-party ethical labour standard specifically designed for the wild fishing sector, the FISH Standard (<https://fishstandard.com/>). The FISH Standard was developed to assure seafood buyers that the fish they are buying and then re-selling is harvested by crews that are:

1. recruited and hired ethically,
2. treated with respect on the vessel,
3. paid properly, and
4. have processes to address grievances.

We take these and other steps with the aim of ensuring that forced labour or child labour do not occur in any part of our business or our supply chains. In addition, Clearwater's adoption of the FISH Standard enables us to better understand our commercial partners, foster long-term relationships with suppliers, and manage the risks associated with unethical labour practices.

5. Remediation

As part of our continued vigilance, in 2024 Clearwater was made aware of allegations of forced and child labour in our supply chain against a co-packer. The matter proceeded through civil litigation in the United States and was subsequently dismissed without judicial findings on the merits. As of the date of this report,

Clearwater is not aware of any judicial findings or regulatory enforcement actions confirming the use of forced or child labour by this supplier. The absence of such findings does not eliminate risk, and Clearwater continues to treat allegations of forced or child labour with seriousness.

Clearwater continues to monitor and assess the supplier through enhanced due diligence measures. Clearwater will take appropriate action where credible evidence of forced or child labour is identified, up to and including disengagement, where appropriate, having regard to potential impacts on affected workers.

In relation to the above-mentioned supplier matter, Clearwater did not identify any confirmed violations requiring remedial action for affected individuals, as no impacted workers were identified through the information available to Clearwater at the time. Nevertheless, Clearwater undertook enhanced engagement with the supplier, including discussions regarding labour standards expectations, hiring practices, age verification controls, and prohibition of forced labour, child labour, and hazardous work involving minors.

For the fiscal year January 1 to December 31, 2025, Clearwater has not identified any instances or allegations of forced or child labour in our supply chain. Accordingly, Clearwater has not been required to take any measures to remediate any forced and child labour, nor take any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced or child labour in its activities and supply chains.

Clearwater recognizes that effective remediation should be worker centred and proportionate to the nature of the risk. Clearwater's approach to remediation is guided by the principle that effective prevention and early intervention are essential to addressing risks of forced labour and child labour in supply chains. Where allegations arise but are not substantiated by judicial or regulatory findings, Clearwater focuses on reinforcing systems, expectations, and oversight to reduce future risk.

6. Training

Clearwater offers many continuous learning opportunities. All employees, including labour, manager, and executive staff, take part in mandatory online training on the Business Code of Conduct, and online classroom-based compliance, ethics, and human rights training and continuous awareness initiatives. In 2025, 100% of Clearwater employees completed the required training.

7. Assessing Effectiveness

Clearwater is committed to preventing and reducing the risk that forced or child labour is used in our supply chains and ensuring that actions that we take are effective. While Clearwater has not yet directly assessed the effectiveness of these actions, we continue to regularly review the development and implementation of our policies and procedures including but not limited to our Whistleblower Policy, Business Code of Conduct and Grievance Policy.

Approval and Attestation

This is a joint report prepared on behalf of and approved by the Board of Directors of Clearwater Seafoods Incorporated pursuant to section 11 (4) (b)(ii) of the Act.

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. For clarity, I have provided the attestation above in my capacity as a Director and Chief Executive Officer of Clearwater Seafoods Incorporated and not in my personal capacity.

Date: May 25, 2026

A handwritten signature in black ink, appearing to read "Ian D. Smith", is written over a solid horizontal line.

Mr. Ian D. Smith
Director and Chief Executive Officer

I have the authority to bind Clearwater Seafoods Incorporated and its subsidiaries to which this Report relates.