



Dempsey Corporation

Annual Sustainability Report 2024

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About This Report

This Sustainability Report outlines the environmental, social, and governance (ESG) commitments, practices, and performance of Dempsey Corporation for the period January 1 to March 31, 2025 (Q1). It represents the first quarterly installment of our 2025 ESG reporting series, which will culminate in a comprehensive year-end summary.

To provide meaningful context and establish a performance baseline, this report also includes selected 2024 data, where available. While 2025 marks the formal launch of our ESG reporting framework, the inclusion of retrospective metrics enhances transparency and enables year-over-year progress tracking.

Scope and Boundaries

This report covers ESG activities and data for Dempsey Corporation's Canadian operations, including:

- Headquarters in Toronto, Ontario
- Regional sales offices
- Distribution and logistics facilities across Canada and the United States

While formal KPIs focus on Canadian operations, select narratives and pilot initiatives from international units are included to reflect broader strategy and direction. As we scale our ESG systems, our goal is to expand full-scope coverage in future cycles.

Methodology and Framework Alignment

The structure and disclosures in this report are guided by:

- The EcoVadis sustainability ratings methodology, including its four scoring themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement
- Though Dempsey does not have these supporting frameworks some are referenced:
 - Global Reporting Initiative (GRI) Standards
 - UN Global Compact Ten Principles
 - ISO 26000 and ISO 9001/14001 foundations for management systems
 - The UN Sustainable Development Goals (SDGs)

We apply the EcoVadis principles of evidence-based scoring, contextualization by industry and size, and continuous improvement, which are embedded throughout our internal ESG management systems.

Reporting Objectives

This report is intended to:

- Demonstrate Dempsey's commitment to transparency, accountability, and continuous ESG improvement
- Support supplier and customer trust in our operational integrity
- Fulfill requirements of third-party ESG ratings such as EcoVadis
- Highlight areas for ongoing performance enhancement

Data Sources and Integrity

This report integrates qualitative and quantitative inputs from Dempsey's internal teams, including:

- Operations
- Procurement
- Human Resources
- Health, Safety & Environment (HSE)
- Marketing and Communications

Where some numerical data (e.g., GHG emissions, water use, or waste volumes) is not yet available, we describe our current tracking systems, measurement readiness, and targets for future disclosure. Documented evidence, such as policies, certifications, training logs, and internal audit.

Contact and Feedback

We welcome questions, suggestions, and dialogue regarding this report and Dempsey's broader ESG strategy.

Primary Contact:

ESG & Compliance Team

sustainability@dempseycorporation.com

www.dempseycorporation.com/sustainability

About Dempsey Corporation

Founded in 1954, Dempsey Corporation is a privately held Canadian company dedicated to the distribution and marketing of high-performance chemicals, functional ingredients, and specialty raw materials. Dempsey has established itself as a trusted partner to manufacturers across North America and select global markets.

Our operations are structured into three core divisions: Food, Industrial, and Beauty, each serving high-impact sectors such as pharmaceuticals, personal care, food and beverage, coatings, adhesives, agriculture, and energy. Across all divisions, our sourcing model emphasizes quality, compliance, and long-term supplier partnerships, backed by a robust global logistics network and regulatory expertise.

Headquartered in Toronto, Ontario, Dempsey maintains a regional infrastructure of sales offices and distribution centers across Canada and the United States. This network ensures localized service delivery, efficient product flow, and proactive regulatory alignment.

Commitment to Sustainability

Dempsey's sustainability management system is rooted in formal policies, proactive actions, and transparent reporting across four EcoVadis themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

Our corporate mission: Delivering Innovation Responsibly to guide our pursuit of:

- Green chemistry adoption, circular solutions, and emissions-reduction initiatives;
- Human capital development, through training, diversity, and health & safety programs;
- Responsible governance, including our anti-corruption policy and compliance protocols;
- Supplier engagement, with screening and support to drive performance improvements.

We actively measure our impact and participate in continuous improvement practices, in line with recognized standards. Our initiatives are documented, reviewed by internal teams, and subject to stakeholder feedback.

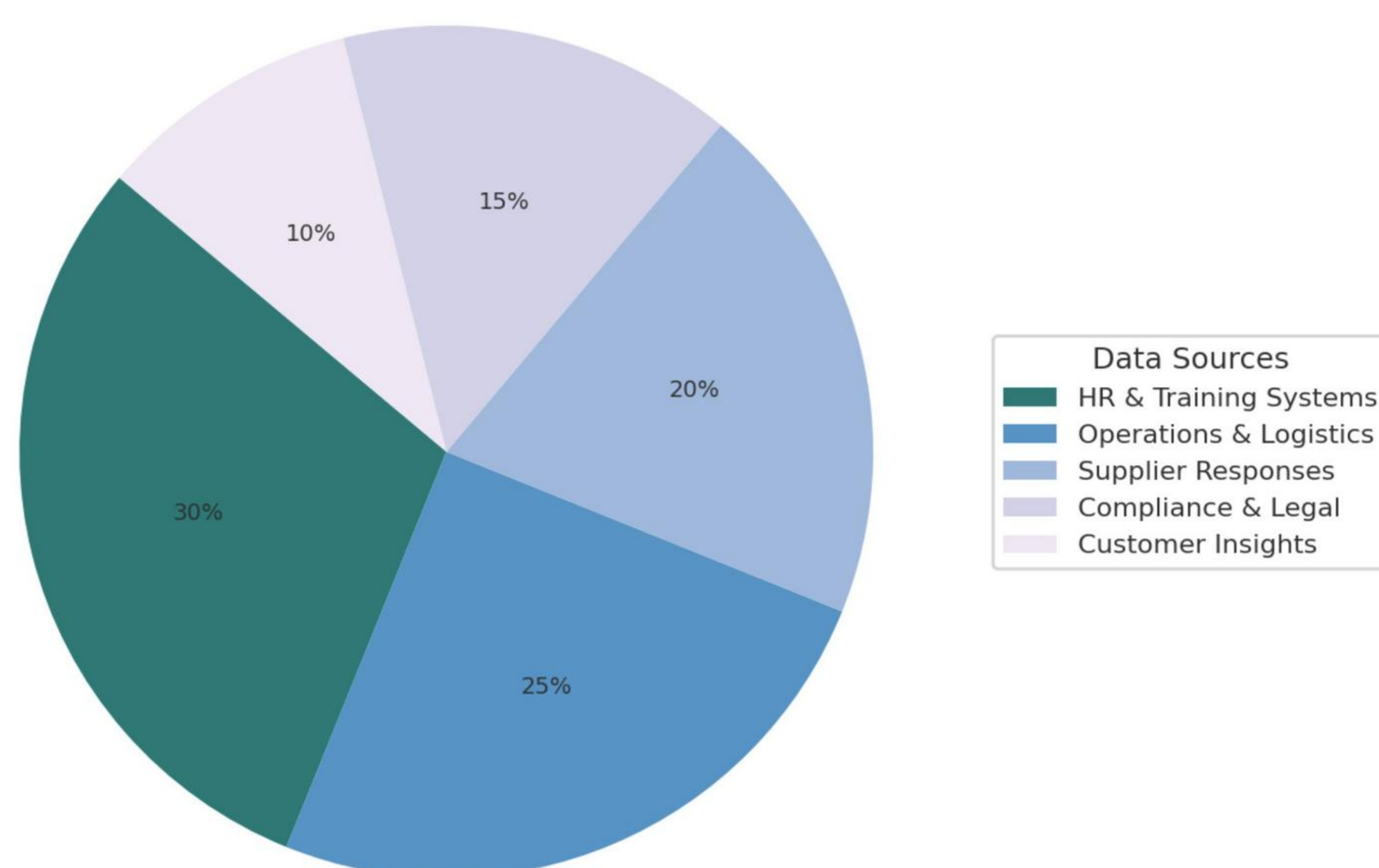
A Values-Driven Organization

At the heart of Dempsey is a workplace culture built on integrity, equity, and innovation. We invest in structured onboarding, technical upskilling, and leadership development to support our employees. As we grow, we remain committed to ethical business conduct and to shaping a sustainable future through collaborative value chains.

With each customer solution, we aim to deliver not only performance, but measurable, responsible impact.

Updated ESG Policies are posted on Dempsey website: <https://www.dempseyesg.com/>

Data Source Breakdown for ESG Report



To enhance the transparency of this report, we have included a breakdown of where the data was sourced. The chart below illustrates the relative contributions from key departments and stakeholders involved in compiling this ESG disclosure.



This map highlights Dempsey Corporation's network of corporate offices, controlled distribution hubs, and third-party logistics (3PL) warehouse partners across North America. From Vancouver to Montreal, and from California to New Jersey, each location is strategically selected and assessed to meet our rigorous Health & Safety, Regulatory, Quality, and Sustainability criteria. Whether directly operated or partner-managed, these facilities support our commitment to operational excellence, reliable service, and responsible supply chain management.

ESG Governance and Oversight

At Dempsey Corporation, sustainability governance is fully integrated into our corporate strategy and risk management framework. Although we are a privately held company, we operate with a strong culture of accountability, transparency, and continuous improvement, core principles that guide how we address environmental, social, and ethical responsibilities across our value chain.

Oversight of our ESG strategy is anchored by the Executive Leadership Team, which reviews ESG-related risks, opportunities, and performance as part of its quarterly strategy agenda. Execution is coordinated through a cross-functional ESG Committee, led by the VP of ESG, Risk and Compliance.

- Operations
- Sales
- Procurement
- Regulatory Affairs
- Health, Safety & Environment (HSE)

This team is responsible for embedding ESG priorities into departmental plans, ensuring alignment with internal policies, regulatory expectations, and third-party sustainability frameworks.

Our ESG Pillars and Strategic Focus

Dempsey's ESG governance is structured around three core pillars that align with both the EcoVadis rating methodology and broader international sustainability frameworks:

- Environmental Stewardship
 - Emissions reduction, green chemistry adoption, energy efficiency, waste management, and sustainable procurement
- Social Responsibility
 - Human rights, diversity and inclusion, health and safety, employee development, and community engagement
- Corporate Ethics and Compliance
 - Anti-bribery and anti-corruption (ABAC), fair labor practices, whistleblower protection, data integrity, and stakeholder engagement

Each pillar is supported by formalized policies, cross-functional procedures, and performance monitoring mechanisms, with KPIs under development as part of our 2025 data maturity roadmap.

Governance Integration and Reporting

- ESG performance is formally reviewed by VP of ESG, with summaries of key risks and opportunities elevated for executive action.
- Department leads are encouraged to surface innovations and risk factors that could affect long-term sustainability outcomes.
- ESG-related decision-making is becoming increasingly data-informed, with initiatives in place to improve measurement systems and reporting coverage.

Alignment with International Frameworks

Dempsey's governance system is informed by globally recognized standards and principles, including:

- The EcoVadis sustainability assessment methodology
- The UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The Global Reporting Initiative (GRI) Standards
- Elements of ISO 26000 and ISO 14001 (Dempsey is planning for ISO 14001 registration in 2026)

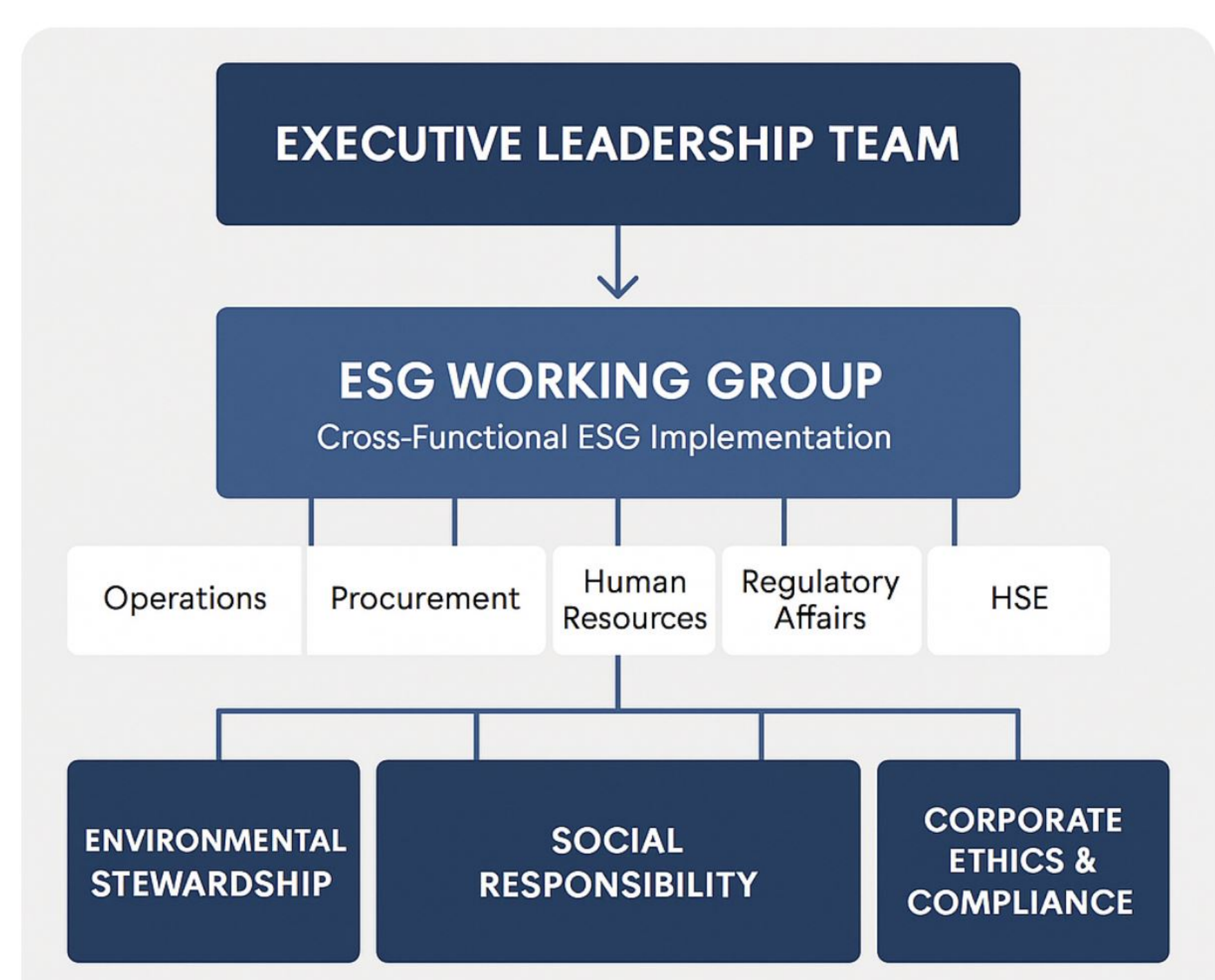
These references help ensure our approach remains globally relevant and locally actionable, and that it continues to evolve with changing stakeholder and regulatory expectations.

Looking Ahead

While we are early in our formalized ESG reporting journey, our governance foundation is maturing. In 2025, we are focused on:

- Strengthening cross-functional accountability
- Building internal ESG literacy and ownership
- Improving systems for data collection and reporting
- Establishing baseline KPIs for each ESG pillar

These actions will help ensure that ESG is not just a reporting function, but a core pillar of corporate performance and long-term value creation.



Ethics and Compliance

At Dempsey Corporation, ethical conduct is embedded into our governance structure and operating culture. We are committed to upholding the highest standards of integrity, fairness, and accountability across all levels of our business and throughout our supply chain.

Our ethics framework evaluates policies and actions related to anti-corruption, anticompetitive practices, and responsible information management. These elements are addressed through structured policies, proactive training, and transparent procedures.

Code of Conduct and Policy Framework

All employees, contractors, and business partners are expected to comply with the Dempsey Code of Conduct, which covers:

- Anti-bribery and anti-corruption practices
- Fair competition, conflict of interest, and transparent decision-making
- Equal opportunity, human rights, and non-discrimination policies
- Data privacy and responsible communication practices
- Environmental and social responsibility expectations

Employees acknowledge the Code of Conduct during onboarding and are required to complete refresher training periodically. Compliance with these standards is documented and tracked through our internal learning and HR systems.

Supplier Ethics and Due Diligence

Our Supplier Code of Conduct is central to our sustainable procurement and ethical sourcing program. It sets clear expectations for:

- Fair labor practices and safe working conditions
- Legal compliance with international labor and trade standards
- Environmental protection and responsible sourcing behaviors

To verify supplier alignment, Dempsey implements a due diligence and screening process, which may include:

- Risk-based supplier assessments
- Conflict minerals disclosures
- Self-attestations or third-party certifications

These actions are in support of supplier-level ethics management and traceable documentation.

Whistleblower Protection and Incident Management

We operate a confidential whistleblower channel, available to employees and third parties, for reporting any concerns related to:

- Bribery, corruption, or fraud
- Ethical violations or misconduct
- Labor or human rights abuses

This system is managed independently to ensure anonymity and is governed by a formal non-retaliation policy. All reports are reviewed and investigated promptly, and outcomes are documented as part of our compliance audit trail.

Monitoring and Continuous Improvement

Dempsey takes a proactive risk-based approach to ethics and compliance. Internal stakeholders, alongside legal, regulatory, and external advisors, regularly review our practices to:

- Monitor exposure in high-risk sectors or jurisdictions
- Align with evolving regulatory requirements
- Benchmark against international frameworks, such as the UN Global Compact, OECD Anti-Bribery Convention, and ISO 37001

We are currently working to enhance our ethics performance metrics, focusing on training completion rates, supplier compliance levels, and internal audit findings. These indicators will support future reporting and continuous improvement.

See all related Dempsey public ESG policies at our website: <https://www.dempseyesg.com/>

Looking Ahead

Our objective is to maintain an ethical business environment where integrity is actionable and accountable, through every contract, conversation, and decision. As our ESG program matures, we are scaling our compliance systems to ensure that ethical conduct is not just expected, but embedded, measurable, and reinforced across our entire value chain.

Ethics and Compliance

Whistleblower Reporting & Ethics Oversight



The above flowchart illustrates Dempsey Corporation's structured approach to ethical incident reporting and resolution. It highlights our commitment to transparency, impartial oversight, and continuous improvement in safeguarding corporate integrity.



The following infographic highlights Dempsey Corporation's progress in ethics and anti-corruption training as of Q1 2025. It showcases full participation in Code of Conduct and ethics onboarding, alongside significant advancement in anti-bribery and anti-corruption (ABAC) training. With 82% of staff already trained and full compliance expected by Q2 2025, these efforts underscore our commitment to integrity, accountability, and proactive risk management.

Data verified through internal training tracker and onboarding records (2024–Q1 2025)

Stakeholder Engagement & Materiality

At Dempsey Corporation, meaningful stakeholder engagement is foundational to our ESG strategy. We recognize that sustainability is not achieved in isolation, it requires listening to, learning from, and partnering with the individuals and groups most impacted by our operations.

Consistent with EcoVadis and GRI principles, we prioritize ongoing, bidirectional communication with stakeholders to ensure our sustainability efforts remain relevant, equitable, and responsive to changing expectations.

Our Core Stakeholder Groups

Dempsey maintains structured and informal engagement with the following key stakeholder groups:

- Employees and contractors – through surveys, town halls, and onboarding programs
- Customers and end users – via sales meetings, technical sessions, and ESG reporting collaborations
- Suppliers and logistics partners – through performance reviews, supplier assessments, and compliance training
- Local communities – via sponsorships, donations, and volunteering events
- Regulators and industry associations – through compliance audits, policy forums, and trade participation

These interactions help surface material risks, innovation opportunities, and ESG topics that require management attention.

2024 Materiality Insights

In 2024, we undertook an internal review of stakeholder input and emerging sustainability risks to refresh our understanding of material ESG issues. This process, while informal, was guided by leadership interviews, supplier input, and early data from staff engagement tools.

Top Material Topics Identified:

- Carbon emissions and energy efficiency
- Product safety and responsible sourcing
- Workplace diversity, equity, and inclusion
- Occupational health and safety performance
- Ethics, anti-bribery, and compliance alignment
- Community engagement and brand reputation

Each topic has been mapped to one or more of our three ESG pillars, Environmental Stewardship, Social Responsibility, and Corporate Ethics & Compliance, to inform our policies, training initiatives, and performance indicators.

Next Steps in Materiality & Engagement

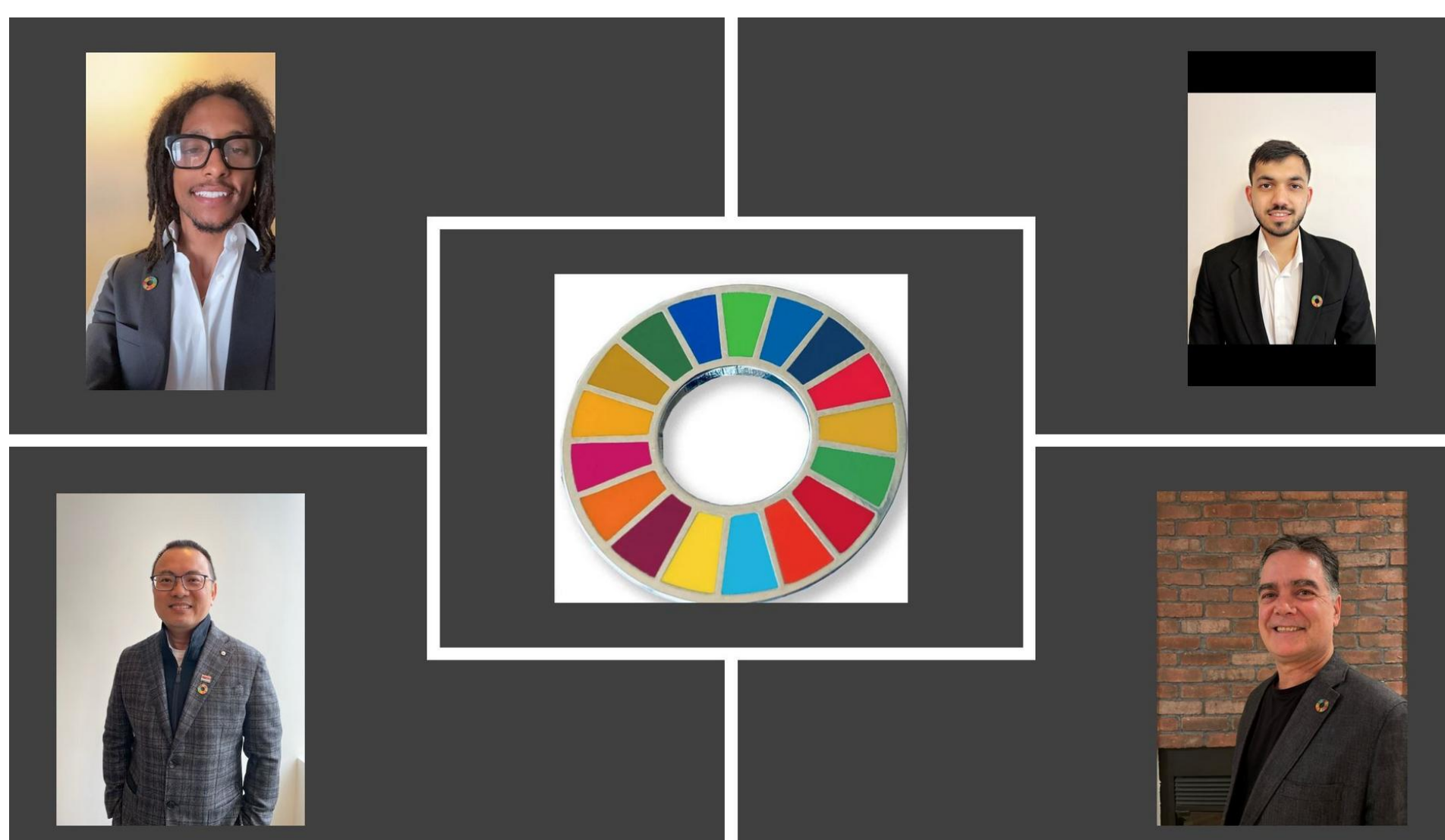
To improve alignment with stakeholder expectations and international best practices, Dempsey plans to:

- Formalize our materiality mapping process using GRI and EcoVadis thematic tools
- Launch a stakeholder prioritization matrix in 2025 to visualize impact and influence
- Expand employee engagement mechanisms to surface ESG ideas and concerns more frequently
- Strengthen supplier engagement on sustainability topics through shared assessments and ESG dialogue

These steps will ensure that stakeholder input directly informs our ESG reporting structure, goal setting, and long-term business planning.

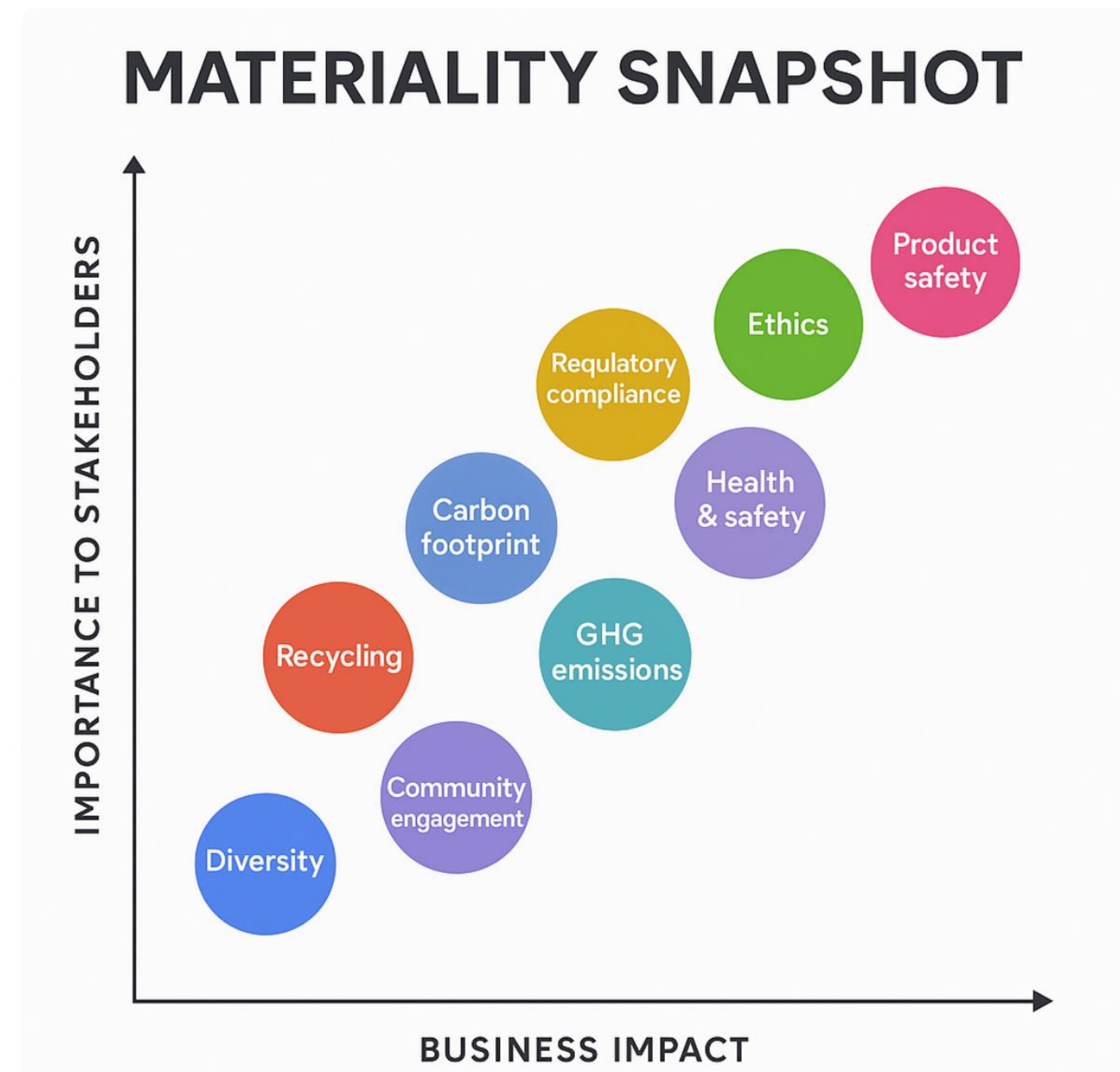
Our Commitment

Our goal is to create a culture where stakeholder voices actively shape our sustainability priorities, not just through feedback loops, but through shared accountability and action. By engaging inclusively and transparently, we are better equipped to navigate complex challenges and build a value chain that is both resilient and responsible.



All members of Dempsey's ESG Committee are encouraged to complete a minimum of five courses through the EcoVadis Academy as part of their foundational training. Upon reaching this milestone, they are awarded a United Nations Sustainable Development Goals (UN SDG) lapel pin to symbolize their commitment to global sustainability principles. To date, eight committee members have earned this recognition. The pin serves as a visible reminder of their leadership in integrating ESG best practices across our organization.

Stakeholder Engagement & Materiality



This materiality snapshot visually maps the ESG issues most relevant to Dempsey Corporation based on their business impact and stakeholder importance. Topics such as Product Safety, Ethics, and Regulatory Compliance are positioned in the top-right quadrant, reflecting their high priority for both corporate strategy and stakeholder expectations. GHG Emissions and Health & Safety also score high, highlighting the operational importance of environmental performance and workforce well-being. Conversely, areas like Community Engagement, Recycling, and Diversity are shown as moderate or emerging priorities, signaling opportunities for deeper engagement or investment. This graph is important because it helps prioritize sustainability efforts, guides transparent reporting, and ensures alignment with EcoVadis, GRI, and stakeholder-driven accountability frameworks.

Note: the materiality review is internal and exploratory — full stakeholder mapping expected in 2025

Environmental Management

At Dempsey Corporation, environmental management is a strategic pillar of our ESG program, embedded into daily operations and supplier relationships across our Food, Industrial, and Beauty divisions. We recognize that, as a distributor of chemical and specialty products, our environmental footprint spans direct operational impacts and indirect supply chain influences. Our goal is to minimize harm, promote sustainable practices, and invest in systems that support long-term resilience.

Environmental Policy & Management System Design

Dempsey maintains a formal Environmental Policy that defines our commitment to:

- Waste reduction
- Energy efficiency
- Regulatory compliance
- Sustainable sourcing and packaging

We use ISO 14001 as a model and are not currently certified, we have implemented several EMS-aligned elements, including:

- Environmental risk identification and mitigation
- Incident tracking and escalation
- Supplier environmental screening and collaboration
- Training modules and site-level audits

These systems form a solid foundation for future third-party EMS certification.

Key Environmental Focus Areas

1. Waste and Recycling

- Our Shrink Wrap Recycling Initiative diverts 100% of shrink wrap waste from landfill, with over 83.85 kg recycled beginning Sept 2024, resulting in a 44% reduction in material use per pallet and annual savings of nearly \$4,000 CAD in combined tangible and intangible ROI for Shrinkwrap project
- A new office-wide recycling program launched in Q1 2025, introduces segregated organic, plastic, and paper bins across all floors and tracks waste metrics via WiFi-enabled weight scales

2. Energy and Emissions

- Truck idling SOPs in Montreal and Toronto have reduced Scope 1 emissions by 710 kg CO₂/year and cut diesel use by 265 liters/year for single truck, supported by GPS tracking and block heater compliance
- Our HVAC efficiency goals include smart scheduling through Ecobee systems to lower building energy loads.
- A digital sustainability program aims to reduce IT emissions by 15% by 2027, covering areas like cloud storage, AI compute loads, and device usage

3. Safer Materials and Product Stewardship

- Our sourcing teams prioritize low-impact ingredients and green chemistry innovation through collaboration with global supplier networks.
- Many of Dempsey's suppliers have committed to reformulate for greener additives by 2027.
- Sustainable product development and reformulation discussions are underway across multiple divisions.

4. Spill Prevention and Regulatory Controls

- Warehouses follow SOPs for spill containment, safe transport, and storage of regulated materials, with staff trained to respond to environmental incidents in line with provincial and federal guidelines.
- 100% distribution shipping staff are trained on dangerous goods spill remediation
- Dempsey has had no significant spills (> 20L) at our distribution centers in 2024.

Future Commitments

To strengthen our environmental performance, we are advancing:

- A centralized environmental data platform to consolidate waste, energy, transport, and digital footprint metrics.
- Digital-first documentation and reporting practices to reduce paper consumption.
- An exploration of renewable energy options for select warehouse and office locations.
- Deeper engagement with suppliers to expand our portfolio of environmentally preferable products.

Dempsey's Philosophy

Environmental stewardship is not an isolated initiative at Dempsey, it is a shared responsibility. By aligning operational practices with regulatory expectations and global frameworks like EcoVadis, we are building a more resilient, ethical, and sustainable supply chain for the long term.

Environmental Management

Waste and Recycling



Our Shrink Wrap Recycling Initiative diverts 100% of shrink wrap waste from landfill, with over 83.85 kg recycled between Sept 2024–Mar 2025.

- A new office-wide recycling program launched in Q1 2025



44%

reduction in material use per pallet
Annual savings of nearly \$4,000 CAD

Energy and Emissions



710 kg CO₂/year

Truck idling SOPs in Montreal and Toronto have reduced Scope 1 emissions and diesel use



ecobee HVAC efficiency goals

Smart scheduling through Ecobee systems



15% by 2027

Digital sustainability program aims to reduce IT emissions

The energy and emissions initiatives showcased in this infographic reflect Dempsey's strategic approach to lowering our operational carbon footprint. From reducing Scope 1 emissions through anti-idling protocols to setting smart HVAC efficiency targets and digital sustainability goals, we are actively driving down energy use across facilities and IT systems. These actions form a critical part of our environmental management efforts and support our long-term emissions reduction roadmap.

Dempsey's waste and recycling programs exemplify our commitment to reducing environmental impact through measurable action. By diverting 100% of shrink wrap waste from landfill and launching an office-wide recycling initiative with smart tracking technology, we are embedding sustainability into everyday operations. These initiatives contribute directly to our environmental management strategy and reinforce our goal of minimizing waste across the value chain.

3. Safer Materials and Product Stewardship



Our sourcing teams prioritize low-impact ingredients and green chemistry innovation through collaboration with global supplier networks.

Sustainable product development and reformulation discussions are underway across multiple divisions

SPILL PREVENTION AND REGULATORY CONTROLS



NO SIGNIFICANT SPILLS (>20L)

Reported at distribution centers in 2024 or 2025



100%

Of distribution staff trained in full spill remediation and emergency preparedness

This infographic underscores Dempsey's strong performance in spill prevention and regulatory compliance. With zero significant spills reported in 2024 or 2025 and 100% of distribution staff trained in spill remediation and emergency preparedness, we maintain a high standard of environmental safety. These measures are integral to our environmental management system and reflect our proactive approach to risk mitigation.

This infographic highlights Dempsey's commitment to safer materials and product stewardship as part of our broader environmental management strategy. Through partnerships with global suppliers, we prioritize low-impact ingredients and support the transition to bio-based and PFAS-free additives. These efforts ensure our product portfolio evolves in line with green chemistry principles and sustainability expectations.

Carbon and Energy

At Dempsey Corporation, we recognize the urgency of climate action and the need for all companies, regardless of industry, to address their role in energy consumption and greenhouse gas (GHG) emissions. While we are not a carbon-intensive manufacturer, our operations across logistics, office facilities, and digital infrastructure contribute to Scope 1 and Scope 2 emissions, particularly from transportation fuels, building heating, and electricity use.

In 2024–2025, we launched a series of targeted actions to quantify, reduce, and prepare for transparent carbon disclosure, in alignment with GHG Protocol standards and EcoVadis Environment scoring expectations.

Carbon and Energy Reduction Highlights

Fleet Emissions Management (wasteful Idling)

- Truck idling reduction SOPs in Toronto and Montreal have reduced Scope 1 emissions by 710 kg CO₂/year and diesel use by 265 liters/year, supported by GPS tracking, block heater protocols, and seasonal guidance.
- Fuel cost savings exceeded \$180 CAD annually per vehicle, demonstrating both environmental and financial ROI.
- Dempsey's newly acquired Toronto Truck data will appear in Q4 2025 Annual Report.

Facility Energy Efficiency

- Ecobee-controlled HVAC scheduling is being implemented across select office and warehouse locations to optimize energy loads during peak and off-peak hours.
- Baseline energy usage assessments are underway, focusing on electricity, heating, and site-specific consumption patterns.

Digital Carbon Footprint Program

- Our IT Carbon Footprint Reduction Plan targets a 15% reduction in digital emissions (from 2022 baseline) by 2030, covering:
 - Cloud storage (hot vs. cold)
 - AI compute loads
 - Device power usage
 - Digital behavior of staff (e.g., file habits, video calls)
- Emissions tracking dashboards and carbon intensity metrics by activity are being piloted across departments.

Methodology and Scope

Dempsey is currently formalizing its emissions inventory with a focus on:

- Scope 1: Fuel combustion from heating systems and owned fleet vehicles
- Scope 2: Purchased electricity across offices and warehouses
- Scope 3 (in development): Partner transportation (LTL carriers), employee commuting, and business travel

We are using location-based emissions factors in line with provincial energy grid data (e.g., Ontario, Quebec), and engaging external suppliers to document shared emissions reductions wherever feasible.

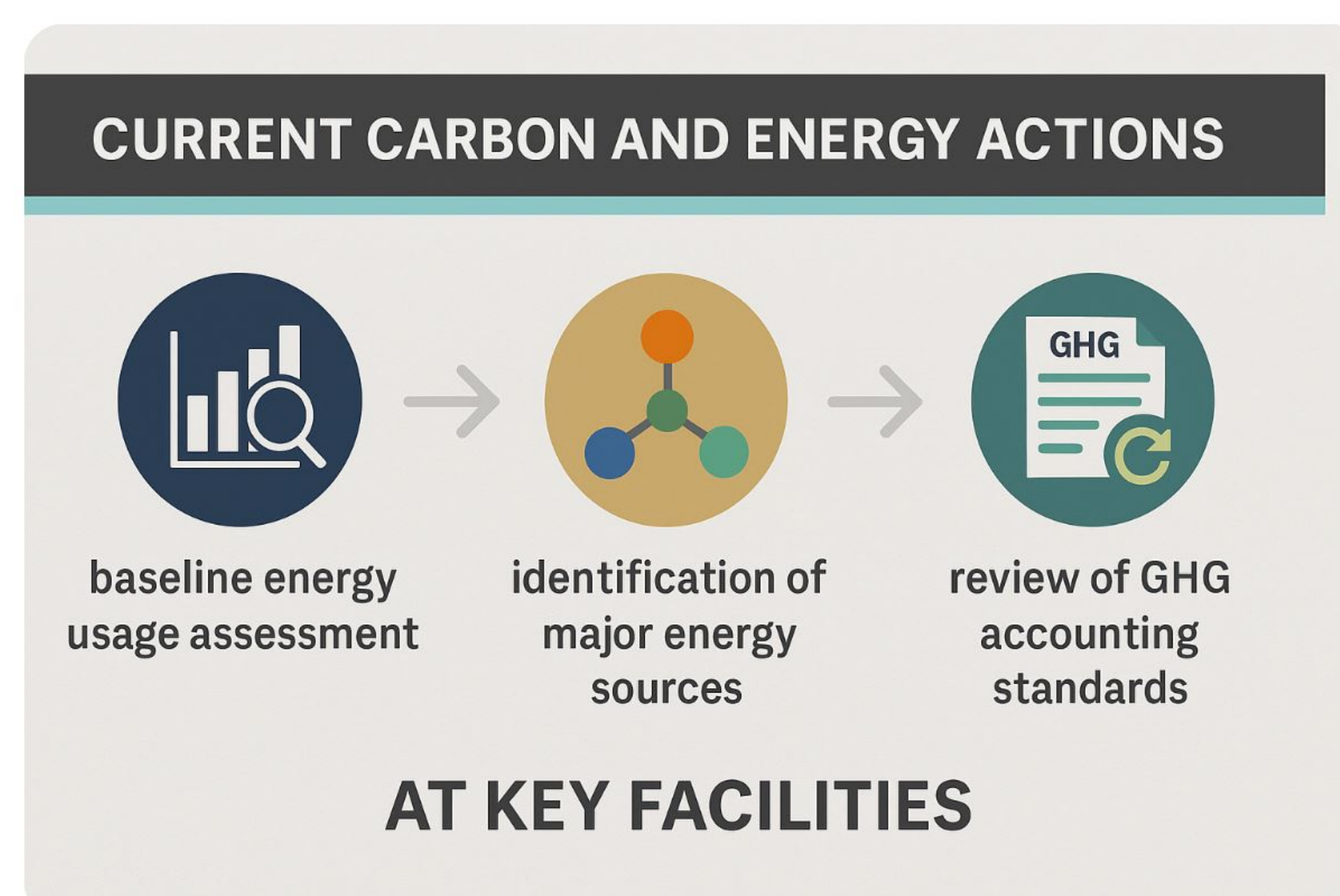
Future Priorities

- Launch a carbon data dashboard integrated with facility operations and procurement systems
- Expand LED and motion-sensor lighting retrofits
- Explore carbon-efficient shipping modes, such as rail, backhauls, or route consolidation
- Pilot renewable energy procurement or carbon offsets where feasible
- Set annual emissions intensity targets by facility, per employee, or per square meter

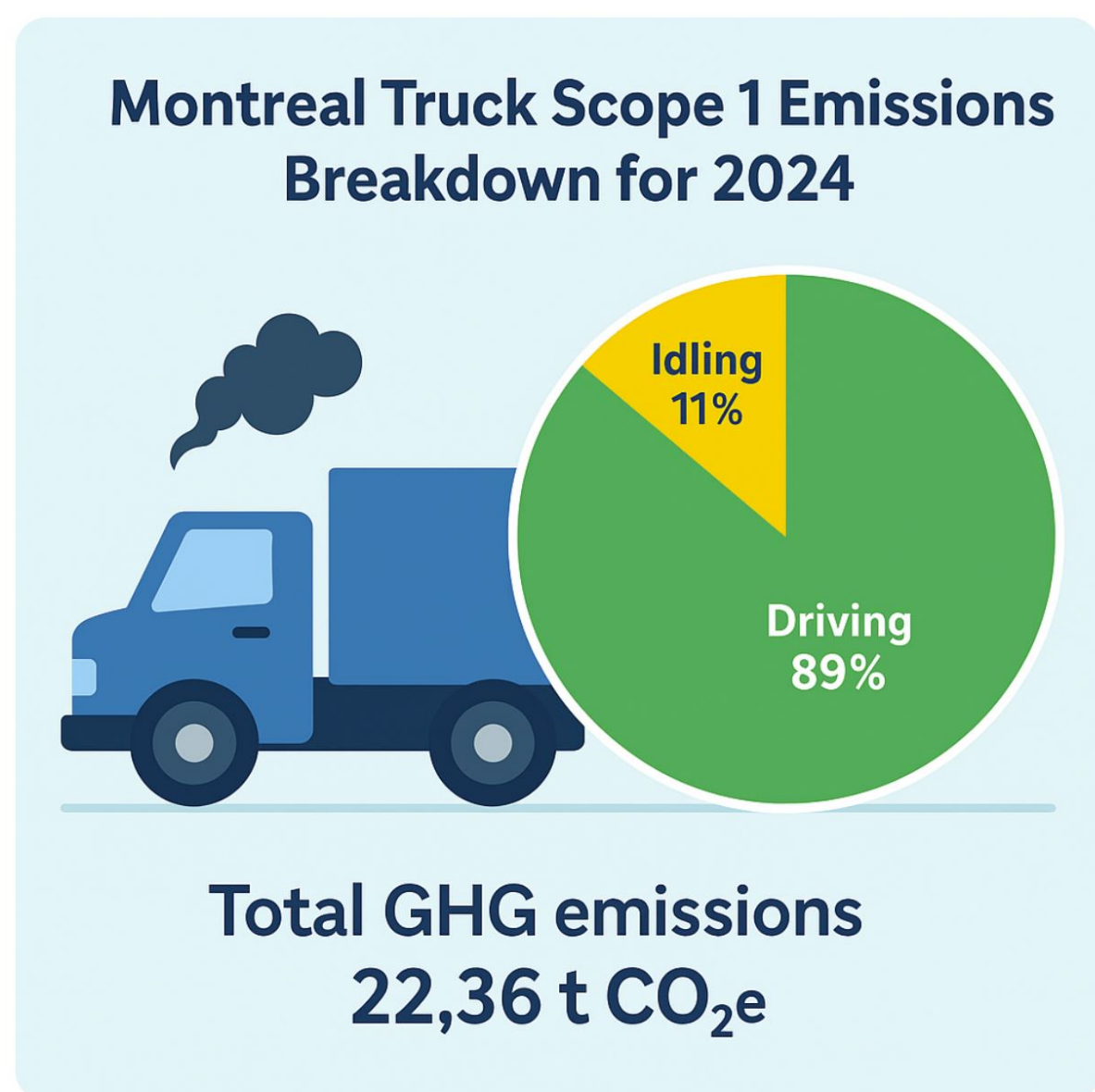
Our Commitment

Dempsey understands that our customers, suppliers, and industry peers are moving toward carbon accountability, and we intend to be a credible, engaged partner in that journey. Through better data, strategic investments, and a culture of energy awareness, we are building the capacity to reduce our footprint while maintaining performance. Carbon transparency is no longer optional, it's a shared responsibility.

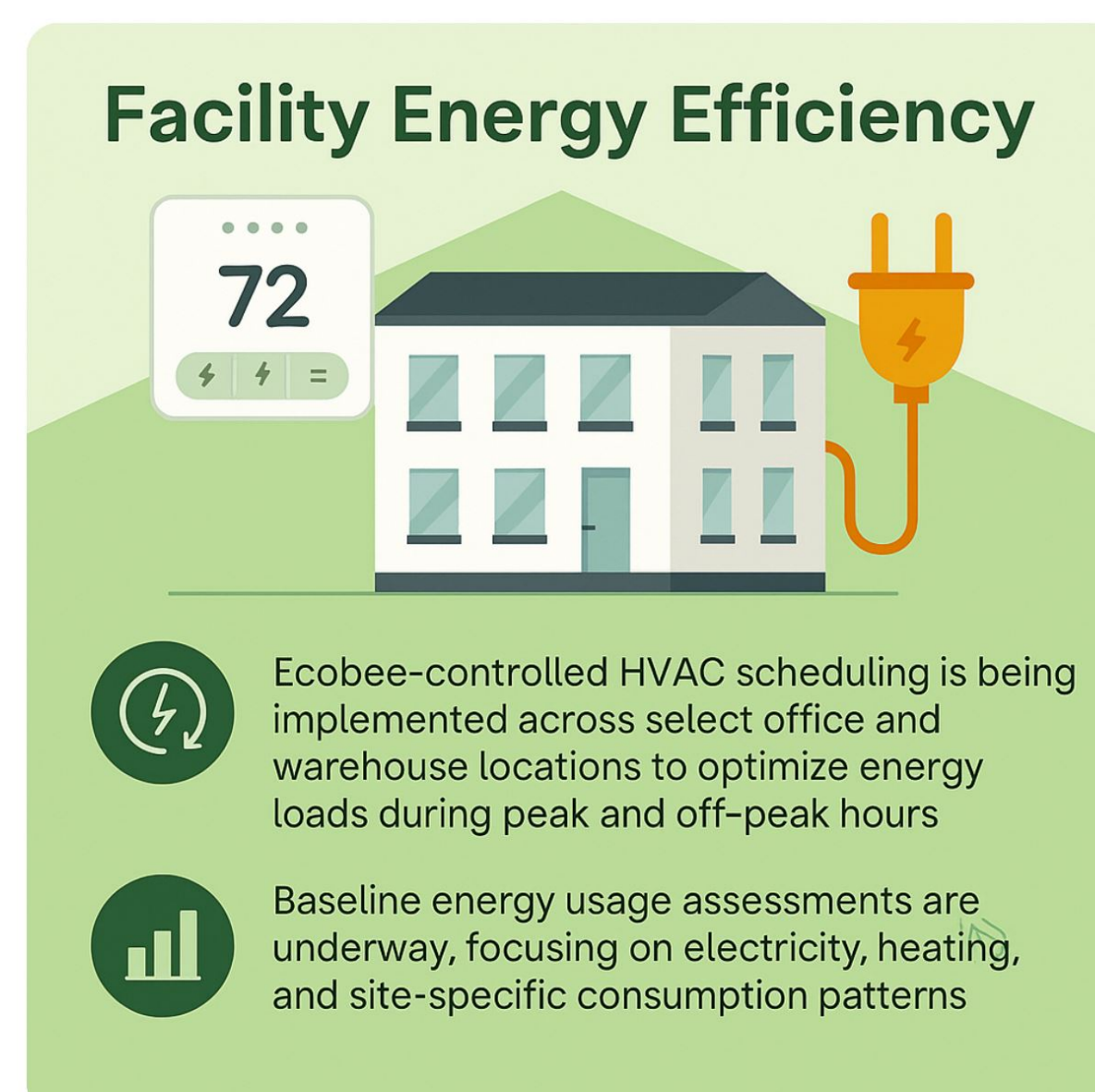
This infographic illustrates Dempsey's foundational actions to prepare for carbon accounting and energy management, directly supporting EcoVadis's expectations under the Environment theme. By assessing baseline energy use, identifying major sources, and aligning with GHG Protocol standards, we are strengthening our readiness for transparent emissions reporting. These early-stage actions demonstrate our commitment to continuous improvement and evidence-based sustainability performance.



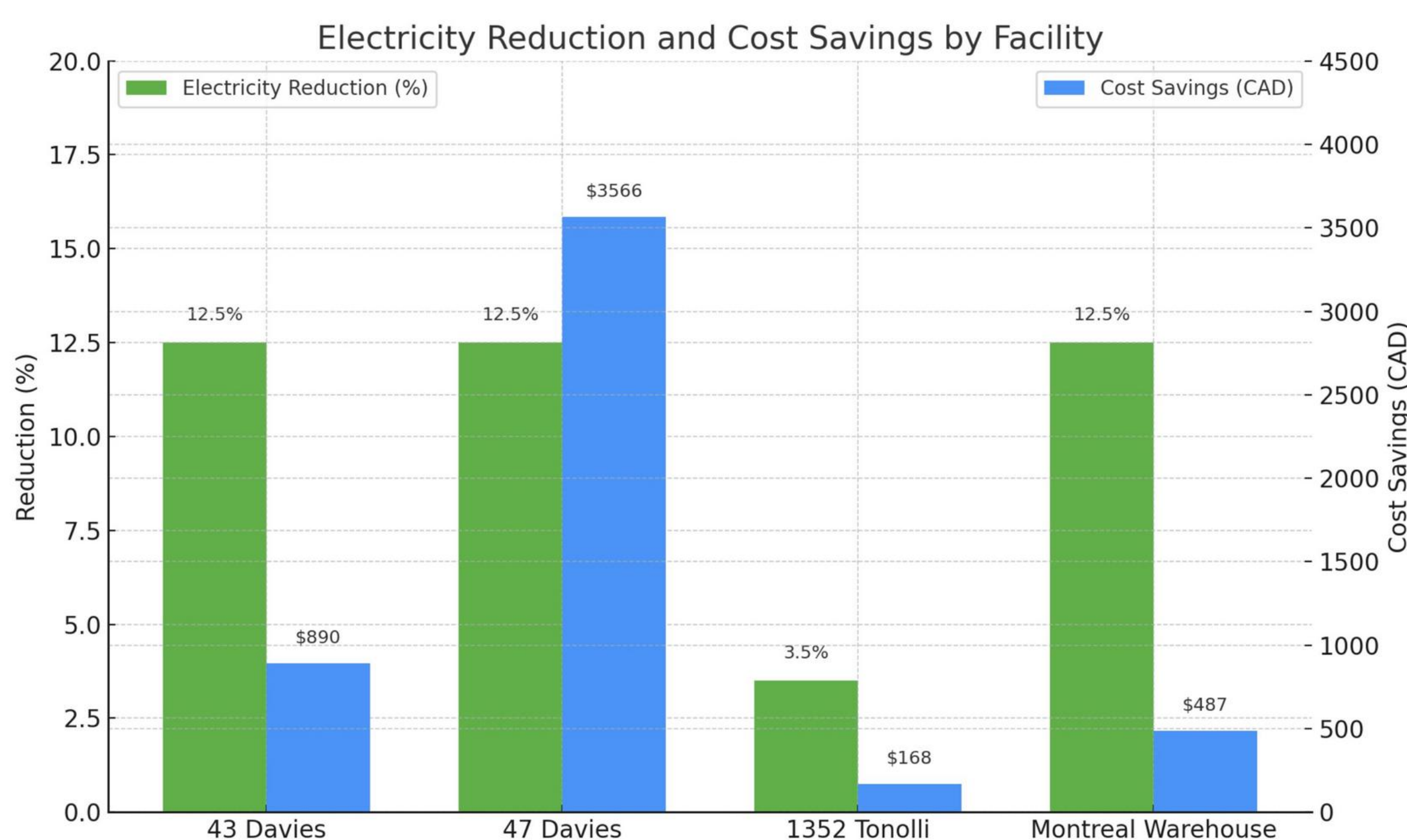
Carbon and Energy



This infographic illustrates the total Scope 1 greenhouse gas emissions generated by Dempsey's Montreal delivery truck in 2024, totaling 22.36 tonnes of CO₂e. The pie chart visually breaks down the emissions, showing that 89% originated from vehicle driving, while 11% came from engine idling. These figures reinforce the importance of route optimization and idling controls in reducing transportation-related emissions.

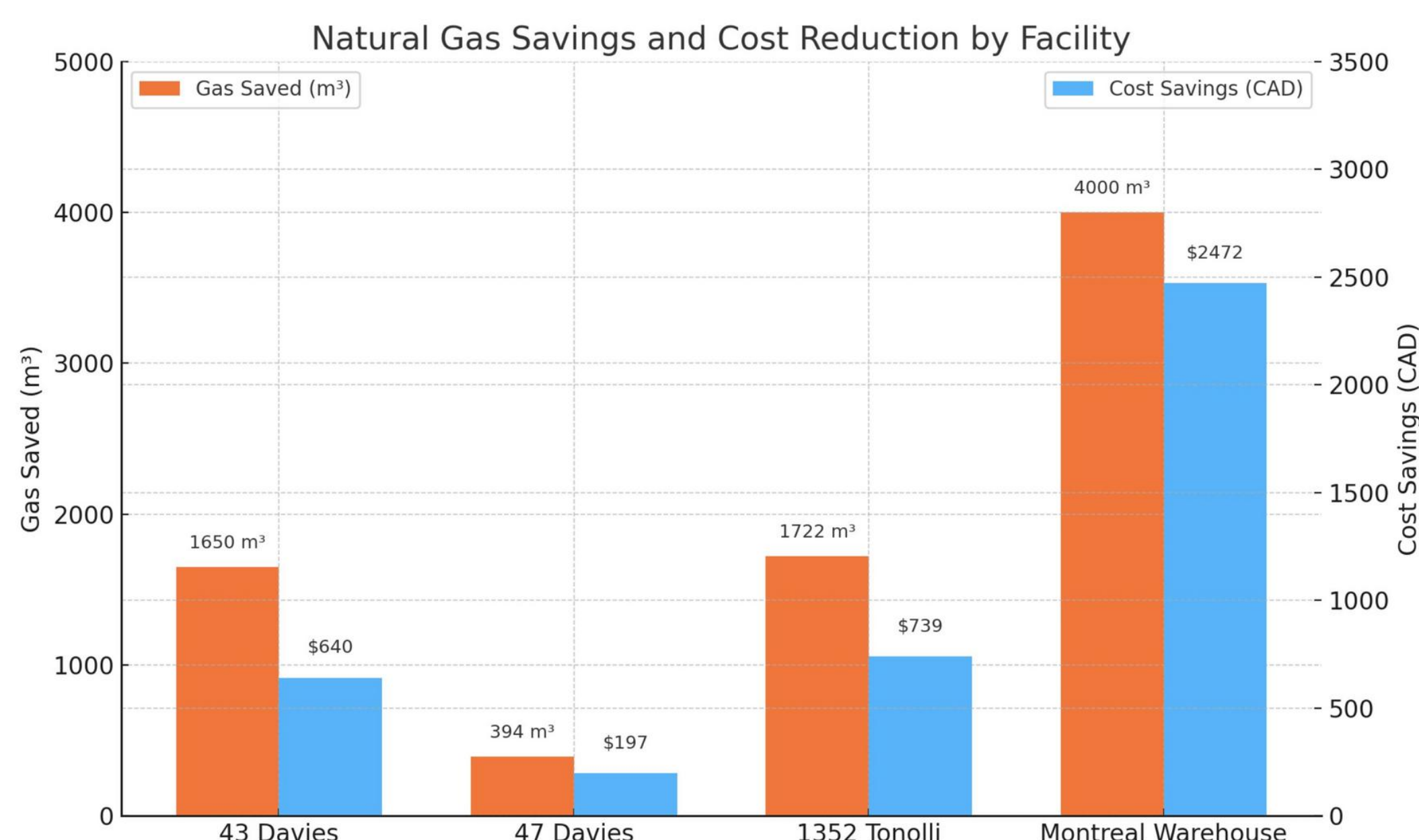


This infographic highlights Dempsey's facility energy efficiency strategy, which centers on smart HVAC scheduling using Ecobee thermostats across select office and warehouse locations. These upgrades aim to reduce energy loads during peak and off-peak hours by optimizing temperature setpoints seasonally. In parallel, baseline energy usage assessments are underway to track electricity, heating, and consumption patterns, laying the groundwork for long-term emissions and cost reductions.



This chart illustrates the percentage reduction in electricity usage alongside corresponding cost savings across four key Dempsey facilities. Sites like 47 Davies and 43 Davies achieved up to 12.5% energy savings, translating into thousands of dollars in annual operational savings. These results reflect the early impact of Ecobee-enabled HVAC scheduling and energy management practices implemented in 2024 and expanded in 2025.

This infographic highlights the natural gas savings achieved at four Dempsey facilities in 2024, along with associated cost reductions. The Montreal Warehouse led in efficiency, saving approximately 4,000 m³ of gas and up to \$3,090 CAD, driven by HVAC optimization and seasonal gas load balancing. These reductions reflect the success of energy assessments and targeted facility upgrades aimed at reducing Scope 1 emissions and operational costs.



Resource Use and Waste

At Dempsey Corporation, we are committed to responsible resource use and waste management as essential components of our environmental stewardship. As a distributor of chemicals and specialty materials, our environmental impact extends beyond emissions, encompassing material efficiency, packaging waste, office-generated waste, and digital system consumption.

In 2024–2025, we moved from planning to action, with concrete waste diversion programs, new recycling infrastructure, and baseline data collection for broader resource flows. These programs directly support our EcoVadis-aligned goals of minimizing landfill output, promoting reuse, and integrating circular design wherever possible.

Shrink Wrap Waste Reduction & Recycling

Dempsey implemented a Shrink Wrap Recycling Initiative across all major facilities:

- 100% of shrink wrap waste is now diverted from landfill.
- Starting in September 2024, we recycled 83.85 kg of material, achieving a:
 - 44% reduction in plastic use per pallet
 - Forecasting an annualized savings of ~\$4,000 CAD in tangible and intangible ROI

This program will be expanded to additional product packaging materials in late 2025.

Office Waste Management and Smart Recycling

In Q1 2025, Dempsey rolled out a smart office recycling system:

- Multi-stream bins for organics, plastics, and paper were deployed on all floors.
- Content of all bins are weighed daily and weight are tracked via QR code and cloud storage app, allowing our ESG team to track and compare waste intensity by floor and region
- Awareness posters and recycling performance feedback loops are part of our employee engagement approach.

This data will inform waste reduction campaigns starting Q2 2025.

Digital Resource Use and Paperless Strategy

Our Digital Sustainability Program, launched in 2024, targets:

- A 15% reduction in digital emissions by 2027
- Promotion of cloud storage lifecycle optimization and data cleanup policies
- Rollout of a “paperless office” toolkit

Additionally, we are evaluating Scope 3 emissions contributions from IT use, document servers, and AI compute cycles.

Waste Handling and Spill Prevention Controls

All Dempsey distribution centers follow standard operating procedures for:

- Hazardous waste containment and air monitoring for specific airborne chemicals
- Chemical storage audits
- Spill remediation training

As of Q1 2024 though to Q1 2025, we have had zero significant spills (>20L) across all warehouse locations. All warehouse staff are trained annually in spill response and environmental safety protocols

Future Priorities

To improve visibility and long-term performance, Dempsey will:

- Develop a centralized waste and recycling dashboard and streamed company wide
- Track waste-to-output intensity ratios by location
- Engage suppliers in upstream packaging reduction efforts
- Integrate waste metrics into quarterly ESG reviews

Our Commitment

Dempsey views resource efficiency as a lever for both environmental and operational performance. Through smarter materials management, digital optimization, and recycling systems, we are reducing our footprint while strengthening transparency and compliance across our supply chain.



Sustainable Procurement

Sustainable procurement is a critical component of Dempsey Corporation's ESG framework. As a distributor serving global clients in the Food, Industrial, and Beauty sectors, we recognize our responsibility to promote ethical, environmental, and socially responsible practices throughout our supply chain.

In 2024, Dempsey formalized its approach to ESG procurement by implementing the Supply Chain Sustainability Risk Assessment Policy, which outlines a standardized, auditable process for evaluating Tier 1 suppliers. This policy ensures that ESG performance is not only encouraged—but measured, documented, and reviewed on an ongoing basis.

Dempsey's sustainable procurement practices are guided by:

- A mandatory Supply Chain Risk Assessment Checklist for all Tier 1 suppliers
- Integration of ESG performance into sourcing decisions and audit readiness
- Ongoing ESG oversight by the Procurement, ESG, Regulatory, and HR teams
- Traceable documentation and quarterly reviews of supplier risk logs
- Required onboarding and awareness training for internal stakeholders

2024 Supplier ESG Assessment: Key Insights

Dempsey's 2024 ESG review covered 45 Tier 1 suppliers, representing the majority of direct spend categories.

Suppliers with formal ESG score (EcoVadis, CDP, Sedex) = 28 (62.2%)

Suppliers with basic ESG practices but no scoring = 17 (37.8%)

Suppliers with no ESG elements = 0 (0%) - all suppliers have some form of ESG element in place

Further analysis showed that among non-scored suppliers:

- 82% had health & safety commitments
- 78% had ethics or code of conduct statements
- 71% addressed labor rights
- 66% disclosed environmental awareness
- 60% included anti-bribery language
- 48% referenced modern slavery or child labor prevention

These results indicate strong foundational awareness, with an opportunity to strengthen formal scoring, documentation, and benchmarking.

Risk Assessment and Identified Gaps

Although no critical compliance failures were flagged, Dempsey identified three areas of moderate concern:

- Lack of traceable ESG documentation among suppliers with informal policies
- Scoring inconsistency, which limits comparability of supplier performance
- Insufficient downstream Scope 3 transparency, especially related to emissions and labor conditions

These risks informed the 2025 action plan.

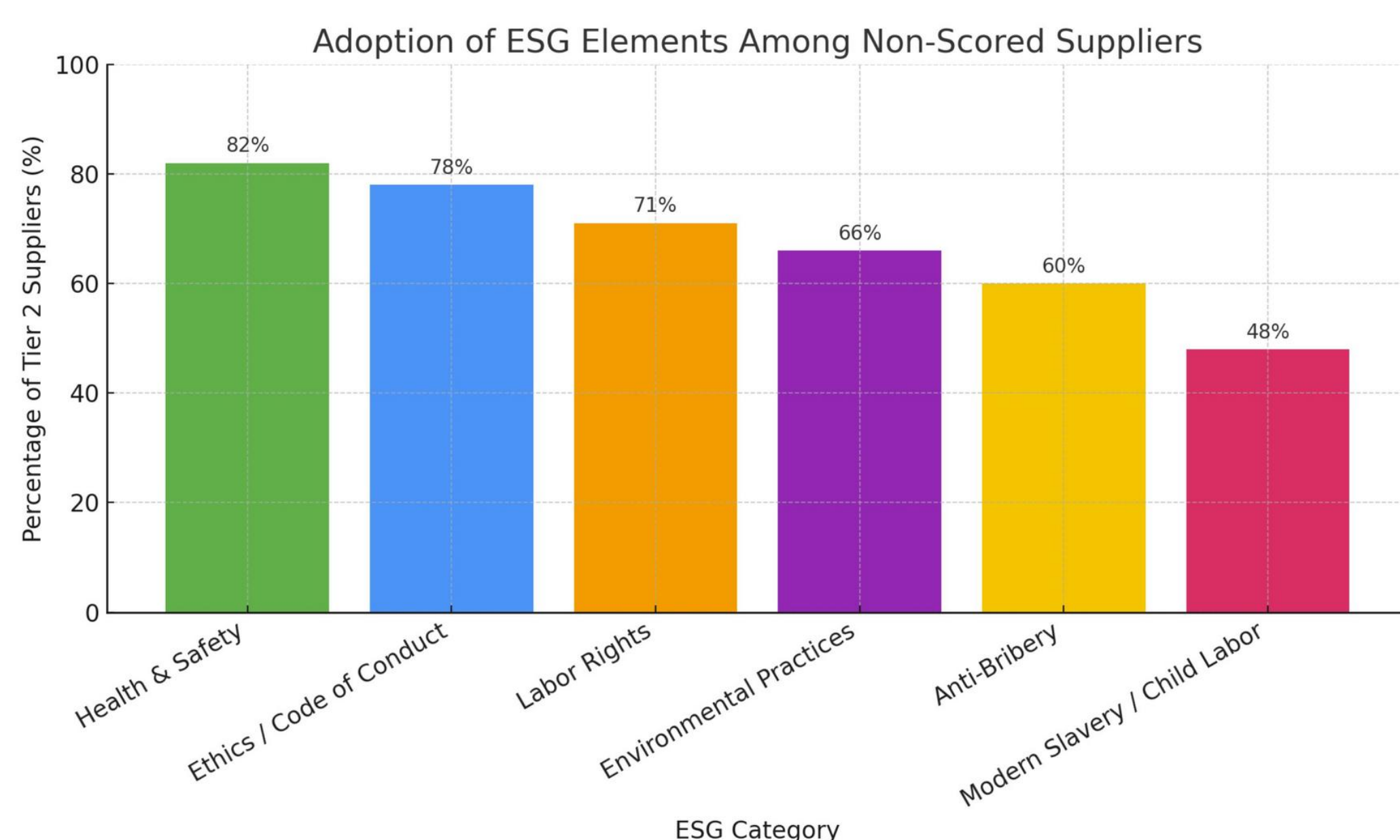
2025 Strategic Focus Areas

To strengthen sustainable procurement, Dempsey will implement the following:

- Require ESG self-assessments for all non-scored Tier 1 suppliers by Q3 2025
- Expand EcoVadis coverage to reach 90% of key strategic vendors
- Integrate ESG data fields into the centralized procurement platform
- Launch supplier segmentation to classify vendors by spend tier and ESG maturity
- Include ESG metrics in performance reviews and quarterly risk dashboards
- Provide suppliers with training webinars and ESG documentation guidance

One supplier has already requested assistance, prompting development of internal support materials for low-maturity vendors

Dempsey's sustainable procurement program has matured significantly, transitioning from policy commitment to structured execution and measurable outcomes. With 62% of suppliers now operating within a formal ESG framework and plans in place to elevate the remainder, Dempsey is building a resilient, transparent, and accountable supply network that supports long-term ESG goals.



This bar chart illustrates the percentage of non-scored (Tier 2) suppliers that demonstrate key ESG practices based on Dempsey's 2024 supplier assessment. Health & Safety (82%), Ethics (78%), and Labor Rights (71%) were the most frequently addressed areas, while Modern Slavery and Child Labor prevention appeared in just 48% of cases—highlighting an opportunity for deeper engagement and documentation.

Product Responsibility

At Dempsey Corporation, product responsibility is not just about compliance, it's about accountability to health, environmental performance, and ethical sourcing. As a trusted link between global producers and downstream industries, we ensure that every product we distribute meets the highest standards of safety, traceability, and responsible communication.

In line with our ESG commitments and EcoVadis expectations, Dempsey's product responsibility framework spans four core pillars:

- Regulatory and safety compliance
- Customer health and environmental risk management
- Sustainable product innovation and reformulation support
- Transparent, science-based communication

Regulatory Compliance and Product Safety

Dempsey distributes thousands of specialty and regulated products across Canada and the U.S. Each product is evaluated and managed to ensure conformance with applicable laws, including:

- WHMIS and GHS (Workplace Hazardous Materials Information System / Globally Harmonized System)
- TDG (Transportation of Dangerous Goods)
- REACH (EU chemical safety)
- U.S. OSHA and equivalent provincial safety regulations

We maintain an internal database of current Safety Data Sheets (SDSs), certificates, and hazard classifications accessible to both customers and employees.

Our Regulatory Affairs team oversees:

- Labeling and classification reviews
- New product onboarding documentation
- SDS alignment with evolving chemical regulations
- Customer support for documentation, traceability, and declarations

All product onboarding requests undergo internal regulatory screening to verify traceability and completeness.

Sustainable Ingredients and Safer Chemistry

Dempsey actively promotes the transition toward safer, more sustainable product alternatives by:

- Recommending biodegradable, low-toxicity, or bio-based ingredients where feasible
- Identifying products with recognized certifications (e.g., RSPO, Rainforest Alliance, Clean Label)
- Partnering with global suppliers to eliminate PFAS from additive portfolios by end of 2025
- Advising clients on formulation redesign to align with customer-specific ESG goals

Our Food, Industrial, and Beauty divisions collaborate closely with customers to reduce environmental and health risks without compromising performance.

Product Stewardship Practices

Product responsibility is embedded throughout our sales and operations functions:

- All distributed products include handling, storage, and disposal guidance
- Customer-facing teams are trained in responsible product communication and hazard disclosure
- When available, environmental attributes such as VOC content or recyclability are shared with clients
- We support supplier and customer sustainability audits, GHG disclosures, and ESG certifications
- Dempsey's largest supplier with PFAS has committed to PFAS free products by end of 2025

Looking Ahead

In 2025, Dempsey will strengthen product stewardship by:

- Launching a centralized sustainability tagging system for internal product categorization (e.g., "bio-based," "PFAS-free," "green-certified")
- Expanding technical collaboration with suppliers on eco-formulation development
- Developing a customer-facing sustainability declaration template for high-volume lines
- Tracking PFAS-free transition metrics for year-end ESG reporting

In a regulatory environment that is becoming more transparent, and in industries where safety and sustainability are now a baseline expectation, Dempsey's role is to lead with knowledge, documentation, and innovation. We are committed to offering products that help our customers perform, without compromise to health, ethics, or the planet.

Labor and Human Rights

Dempsey Corporation is committed to upholding the inherent dignity, rights, and protections of all individuals, both within our own operations and throughout our extended supply chain. We believe that fairness, respect, and opportunity are essential to business resilience and ethical culture.

Our commitments are informed by international frameworks such as:

- The United Nations Universal Declaration of Human Rights
- The International Labour Organization (ILO) Core Conventions
- The UN Global Compact Principles on labor rights

These principles are embedded in company policies and reflected in how we recruit, manage, and engage our people.

Internal Labor Standards and Safeguards

Dempsey's employment practices meet or exceed applicable provincial and federal labor laws, including standards on compensation, rest periods, paid leave, and employee protections. While we are not a unionized employer, we ensure robust communication channels and uphold every employee's right to raise concerns without fear of retaliation.

Key protections and practices include:

- Zero tolerance for forced, child, or involuntary labor
- Non-discrimination in hiring, pay, and advancement, regardless of gender, ethnicity, age, disability, religion, or background
- Safe and healthy work environments, monitored through site audits and HR reviews
- Clear employment terms, including contracts, benefits, and expectations
- Freedom of expression, respectful workplace expectations, and psychological safety

Oversight, Policies, and Reporting

To ensure that these standards are lived, not just stated, Dempsey maintains the following safeguards:

- An Employee Handbook outlining workplace rights, equality expectations, and behavioral standards
- A Workplace Harassment and Discrimination Policy, available to all staff and enforced by management
- A confidential Whistleblower mechanism managed independently to handle concerns discreetly and without retaliation
- Training for HR and people managers on inclusive hiring, non-bias interviewing, and equitable performance management

Employee feedback is actively encouraged through surveys, onboarding reviews, and direct management dialogue.

Extending Human Rights to the Supply Chain

Human rights protections are not limited to internal operations. All suppliers are subject to Dempsey's Supplier Code of Conduct, which requires:

- Prohibition of child labor, forced labor, or involuntary work practices
- Compliance with national labor regulations and international norms
- Non-discriminatory hiring and employment practices
- Fair wages and safe working conditions across production and logistics

Suppliers may be asked to provide evidence of their labor practices and undergo risk-based screening and documentation reviews.

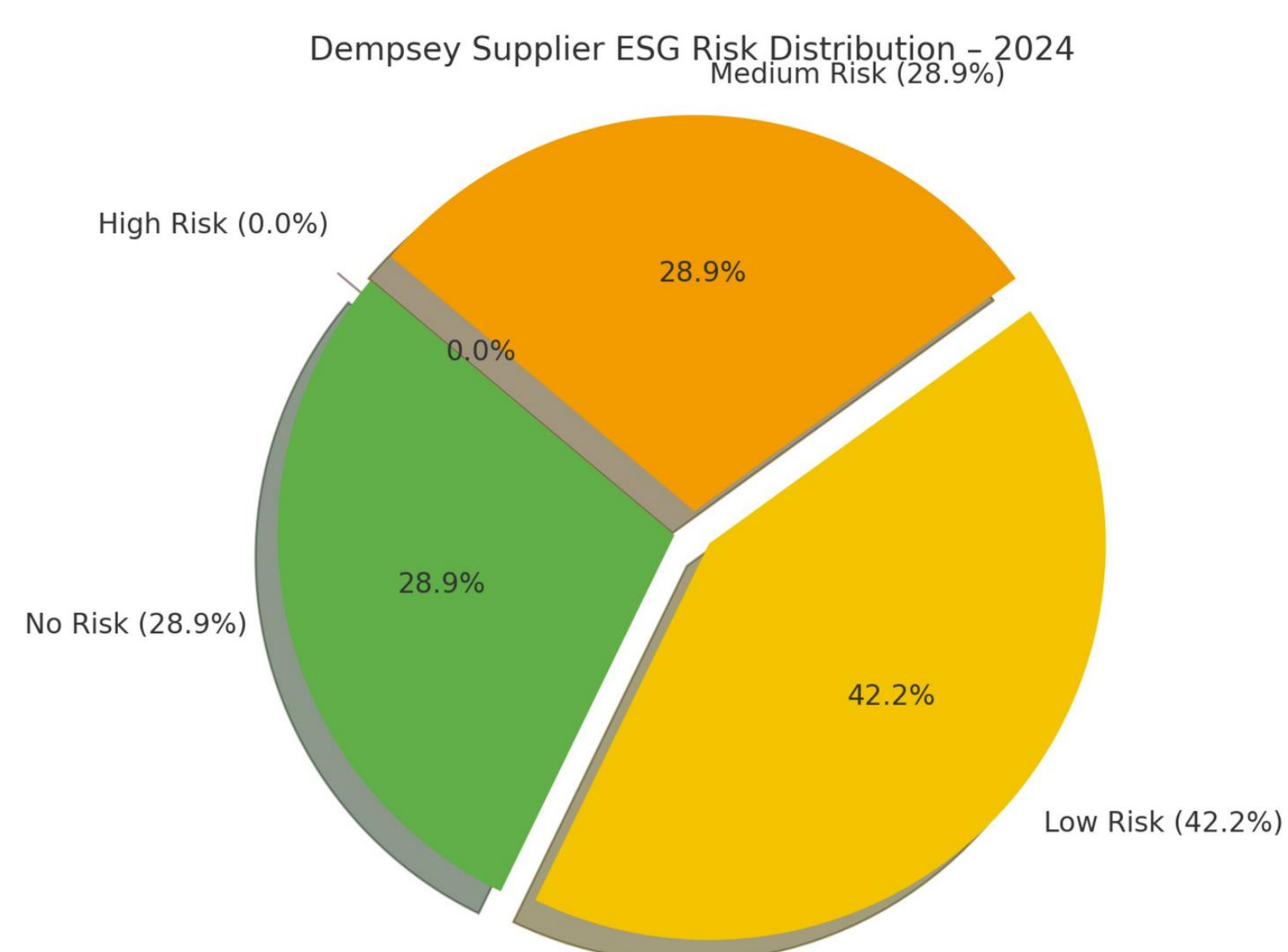
Planning for 2025

In 2025, Dempsey aims to strengthen labor and human rights oversight by:

- Expanding labor rights due diligence within our supplier screening process
- Introducing a modern slavery and child labor risk assessment based on geography and sector

These actions support our continued alignment with EcoVadis themes under Labor & Human Rights and Sustainable Procurement.

Dempsey is building a workplace, and a supplier ecosystem, where human dignity is the foundation of everything we do. We will continue to grow our policies, awareness, and governance systems to ensure that fairness, inclusion, and labor protections remain central to our operations and relationships.



This pie chart reflects Dempsey's 2024 ESG risk classification of Tier 1 suppliers, and has direct relevance to labor and human rights due diligence. The fact that 0% of suppliers were classified as high risk indicates that no supplier was found to have significant gaps or violations in critical areas such as forced labor, child labor, or discriminatory practices. However, the presence of 28.9% medium-risk suppliers highlights the need to strengthen documentation, traceability, and formal labor rights policies—particularly for vendors operating in jurisdictions with weaker protections or limited audit transparency. This analysis directly informs Dempsey's 2025 focus on labor clause inclusion, supplier audits, and policy support for at-risk partners.

Health & Safety

Dempsey Corporation is committed to protecting the health, safety, and wellbeing of all employees, contractors, and visitors across our operations. We believe that maintaining a safe workplace is not only a legal requirement but it's a foundational pillar of operational trust, employee engagement, and ESG leadership.

Our approach is built on prevention, participation, and continuous improvement. Health and safety responsibilities are shared across the organization, from executive leadership to front-line teams, with oversight embedded in policy, site-level training, and leadership reviews.

Health and Safety Management Framework

Dempsey as a dedicated Director of H&S on staff whom maintains a comprehensive Health and Safety Policy applicable to all sites and job functions. This policy outlines our commitment to:

- Hazard identification and risk mitigation
- Role-specific safety training and onboarding
- Incident tracking, investigation, and resolution
- Compliance with provincial and federal occupational health and safety standards

The policy is supported by internal SOPs, audit checklists, and product-specific risk documentation led by our Regulatory Affairs and HSE teams under the guidance of the Director of H&S.

Current Practices and Controls

Safety Pillar	Examples of Practice
Training and Awareness	Onboarding safety orientation, WHMIS/chemical handling training, forklift certification, toolbox talks, refresher sessions
Infrastructure Readiness	Spill kits, fire extinguishers, first aid stations, PPE supply, MSDS access, signage, and marked evacuation procedures
Monitoring and Reporting	Incident report forms, root cause analysis, near-miss documentation, supervisor inspections, and monthly safety logs
Compliance and Review	Annual internal audits, quarterly executive safety reviews, site walk-throughs, and updates aligned with changing regulatory, or facility needs

2024 Performance Snapshot

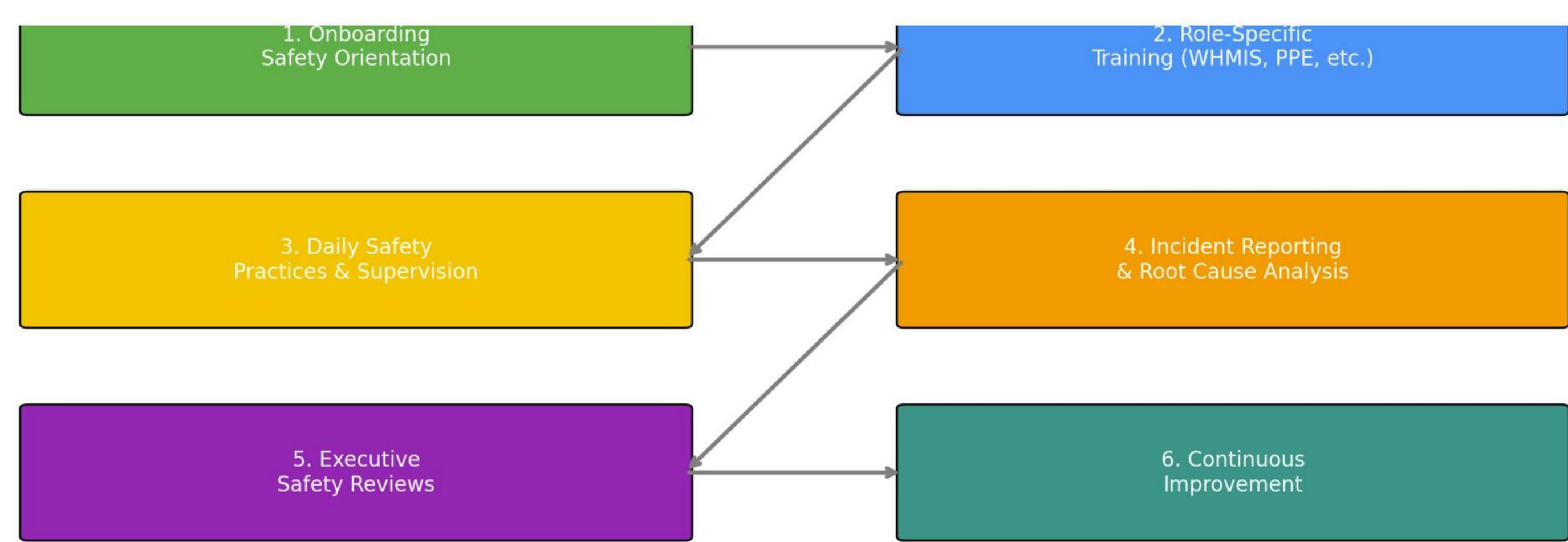
- Zero lost time incidents across all sites
 - 100% of new employees received onboarding safety orientation
 - 100% participation in mandatory safety training programs
 - 100% of warehouses equipped with updated spill kits and PPE inventory
 - Quarterly reviews of site-level H&S performance held with operational leadership
 - JHSC comprised of volunteers and represent 8% of our workforce across most departments
- These results reflect a maturing safety culture focused on awareness, preparedness, and employee empowerment.

Looking Ahead: 2025 Initiatives

To continue strengthening our safety program, Dempsey will:

- Launch a role-based digital H&S training via Artificial Intelligence Agent
- Expand focus on mental health, ergonomics, and office safety under the Employee Wellbeing Strategy
- Enhance incident logging tools with trend analysis and dashboard reporting via Power BI
- Develop a monthly safety spotlight campaign to increase visibility and engagement

A culture of safety starts with leadership, and is sustained by action. At Dempsey, we work every day to ensure our employees are safe, supported, and equipped to prevent harm. Through systems, training, and shared accountability, we are building a workplace where safety and care go hand in hand.



This chart illustrates the structured flow of Dempsey's health and safety engagement process, from initial onboarding through to continuous improvement. Each step highlights a core component of our safety culture—ensuring that employees are equipped, supported, and held accountable at every stage of their work experience. By connecting training, supervision, reporting, and executive oversight, the diagram reinforces Dempsey's commitment to a proactive and comprehensive safety system.

Employee Development and Wellbeing

Dempsey Corporation views employee growth and wellbeing as essential to long-term success. Our commitment goes beyond policy—we aim to create a workplace where people are empowered to build skills, feel valued, and pursue meaningful advancement.

Our approach combines training accessibility, career development planning, and personal wellbeing programs—grounded in metrics, inclusivity, and continuous listening.

Learning and Development

Employee training is delivered through onboarding, department-led sessions, and externally supported learning. In 2024, we initiated an internal audit of training volumes to prepare for full system digitization in 2025.

Training Metrics – 2024 (Baseline Year)

Metric	Value
Total Courses Completed (incl. ESG)	529
Total Training Hours (incl. ESG)	314.5
Average Courses per Employee	5.29
Average Training Hours per Employee	3.15

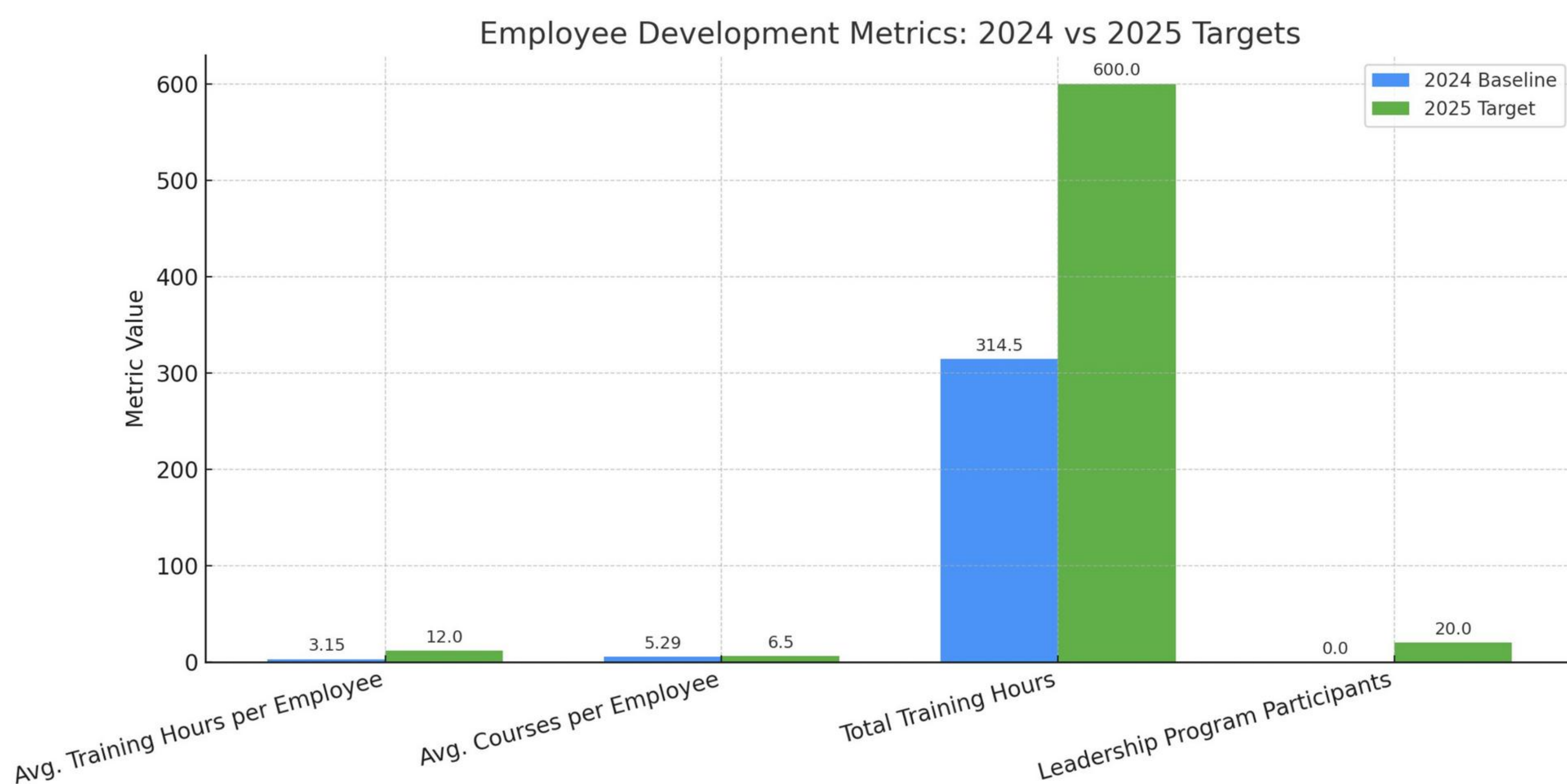
While these metrics show broad employee engagement, our legacy systems were not designed to consistently track training hours across departments, platforms, or formats. As a result, 2024 serves as a baseline year, and is driving the need for more integrated systems moving forward.

2025 Digital Training Expansion

In 2025, Dempsey is launching a centralized training tracking system. Under our new Training Hours SOP, employees will:

- Log completed trainings directly into an online self-reporting portal
- Identify training categories (e.g., ESG, safety, soft skills, technical)
- Attach supporting documentation for HR and ESG record-keeping
- Contribute to quarterly dashboards used for ESG reporting and goal tracking

This will ensure real-time visibility, cross-department consistency, and performance-based learning insights.



This chart compares Dempsey's 2024 baseline performance with 2025 targets across four key employee development metrics. It highlights significant planned improvements, including an increase in average training hours per employee from 3.15 to 12 hours, and total training hours from 314.5 to 600. The introduction of a new leadership development program in 2025, with a target of 20 participants, reflects the company's growing investment in talent development and internal mobility.

Employee Development and Wellbeing

Career Development and Internal Mobility

We support employees at all stages of their journey through:

- Structured onboarding and role-based training plans
- Goal-setting and performance reviews with leadership coaching
- Mentorship, cross-functional opportunities, and advancement readiness reviews
- Tuition reimbursement for approved learning tied to business needs

In 2024, a learning management system pilot will launch across all departments using an AI Agent to track all training and will scale company-wide by Q3 2025.

Diversity, Equity, and Inclusion (DEI)

Dempsey tracks diversity under a formal DEI Representation and Tracking Policy. As of Q4 2024

- 56% of employees identify as women
- Generational spread: Gen X (38%), Millennials (36%), Gen Z (14%)
- Workforce includes fluency in six languages, promoting inclusion and customer responsiveness

We are cautious not to track race, disability, or LGBTQ+ identity unless opt-in and privacy-compliant. Our DEI roadmap is built on voluntary data and respect for employee privacy.

Wellbeing and Engagement

- Access to virtual mental health services and ergonomic support
- Team-building events, internal recognition programs, and cross-site social activities
- Hybrid work options and job flexibility where applicable
- Annual engagement surveys inform program evolution

We are currently integrating wellbeing indicators into our ESG performance dashboards.

Looking Forward

- Roll out AI agent via our new training portal to all departments by mid-2025
- Increase average training hours to 12+ hours per employee per year
- Formalize role-specific learning tracks across business divisions
- Launch a leadership development program for emerging and mid-career talent

2024 established Dempsey's baseline for employee development engagement. With stronger systems and consistent governance, 2025 will mark the shift to a smarter, more inclusive, and more measurable learning culture—one where every employee has the tools to grow with purpose



AI-powered training tracker will significantly improve the accuracy and efficiency of employee development tracking by allowing staff to directly log course titles, dates, and training hours through Dempsey's learning portal. At each entry, the AI agent will validate submissions and instantly display the employee's progress toward their annual training goal, fostering accountability and engagement. By centralizing and automating this process, Dempsey ensures real-time visibility into training metrics for ESG reporting and performance reviews.

Community Impact and Inclusion

Dempsey Corporation believes that building strong, inclusive communities is essential to sustainable business. We integrate community engagement into our corporate values, not as an optional extra, but as a responsibility we share with the people and places that surround our operations.

In 2024, employee-led initiatives supported local food banks, women's shelters, family sponsorship, and health foundations. These efforts were fueled by a culture of volunteerism and compassion, with company backing through resources, promotion, and time allowances. Dempsey permits all staff 2 days per year to volunteer their workday to any cause.

Expanding Our Impact: The 2025 Community Engagement Framework

In 2025, Dempsey formalized its approach to community investment through a new Community Engagement Framework, focused on three key pillars:

- Food Security & Basic Needs
- Education and Youth Empowerment
- Climate Resilience and Local Sustainability

Through this structure, we are building deeper partnerships with vetted charitable organizations aligned to our values. Planned initiatives include:

- Continuation of paid volunteer hours for employees across regions
- Matching donations for select campaigns and relief initiatives - Dempsey does this with Adopt a Family program
- ESG-aligned cause mapping (e.g., support for SDG 2: Zero Hunger; SDG 4: Quality Education)

We will begin tracking participation metrics and storytelling impact reports in 2025 to build transparency and accountability. All activities are announced in our company newsletter.

Inclusion, Diversity, and Belonging

Dempsey embraces diversity in all forms, across gender, age, language, experience, and background. While we are still early in our formal Diversity, Equity, and Inclusion (DEI) journey, meaningful progress has been made through intentional actions and policy development.

2024 Highlights:

- Inclusive leadership training delivered to team leads in sales and operations
- Cross-site heritage and cultural celebration events initiated by staff
- HR-led review of recruitment and promotion processes for fairness and bias awareness
- Representation snapshot:
 - 56% of employees identify as women
 - Generational diversity: Gen X (38%), Millennials (36%), Gen Z (14%)
 - Multilingual teams: English, French, Spanish, Hindi, Thai, Portuguese

Building Our DEI Roadmap

Dempsey's DEI roadmap includes:

- Launch of employee-led resource groups by theme or identity
- Annual inclusion and engagement surveys
- Integration of inclusive language in all HR documents and internal communications
- Company wide training continues with unconscious bias and equitable decision-making
- Optional opt-in tracking of additional diversity dimensions as privacy allows

Our goal is to create a workplace culture where difference is respected, identity is celebrated, and everyone has access to equitable opportunity and meaningful contribution.

Looking Ahead

In 2025, Dempsey will work towards:

- Track employee volunteer hours and social investment contributions
- Expand our ESG-partnered community collaborations
- Publicly report on DEI and community KPIs in our annual ESG summary
- Launch a "Voices of Dempsey" campaign to spotlight lived experiences and leadership perspectives

At Dempsey, we recognize that our influence extends beyond our business transactions. By investing in local communities and cultivating inclusion within our workforce, we are helping to shape a future where business success is measured not only by profit, but by purpose, equity, and shared impact.

Community Impact and Inclusion

Martha D'Arcy • 3rd+
VP Dempsey Beauty | Leadership | Strategy & Execution | Business Growth | Pr...
1yr •

This was such a fun and rewarding initiative. Hats off to the Dempsey Beauty team and especially **Annie Kue** for organizing us!

Dempsey Beauty
299 followers
1yr • [+ Follow](#)

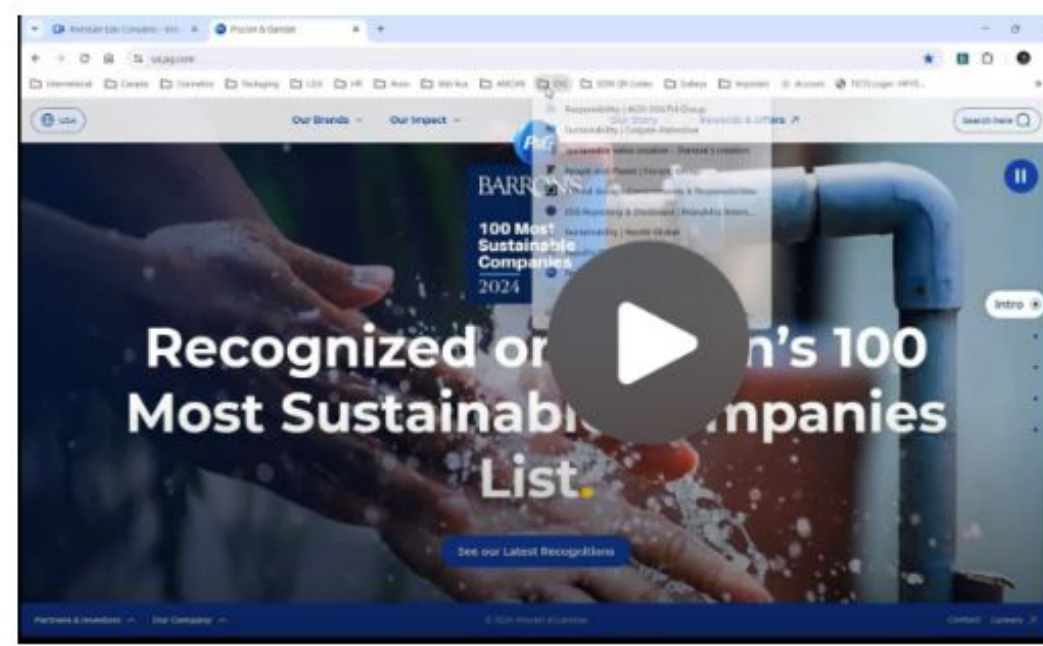
Dempsey Beauty partnered with Nellie's Shelter (www.nellies.org), a local charity, established in 1973 helping over 40 single women, some with young children, leaving abusive relationships. The shelter offers a range of programs, including bi-weekly yoga, computer training, self-defence courses, housing support, city politics sessions, healthy dating relationship workshops, and a food bank supporting East Chinatown.

Dempsey Beauty contributed to the cause by creating 170 holiday bags filled with beauty products, warm winter wear, and personal hygiene items for the shelter's residents and food program.

[#wemakeithappen](#)



DEMPSEY SUPPORTING COMMUNITY BUSINESS - APRIL 2024



In case you missed it, click [HERE](#) to watch Charles' lunch and learn which included information on Sustainable Packaging activities in the Beauty division around the Golden Design Rules developed by the Consumer Goods Forum.

This is also our 1st Lunch & Learn that is partaking in our Riverdale Eats Project. This project's objective is to bring staff awareness and patronage to the independent local restaurants around our Dempsey facilities. There will also be an "edutainment" video series featuring the participating restaurants/businesses.

We'd like to give a special thank you to Charles for taking the initiative to organize such an insightful and well planned lunch and learn event!



EarthDay Cleanup each year

Dempsey Volunteer for May 2024

Over the past two Fridays, Antonina volunteered her time to organize a fundraiser for the Canadian Caribbean Association of Halton. She played an integral role as part of the decor crew, contributing to the design and execution of all centerpieces and stage decorations.

Just a quick reminder about our Volunteer Hours Policy

See our company policy "Volunteer Hours Policy" linked below.



DEMPSEY'S ADOPTED FAMILIES

Please see the message below shared on behalf of Tessa:

Hi everyone, On December 19th, the food and gifts were delivered by Karen and myself. Our family (Amy and Avaya) and our Senior (Mike) was so grateful! In this email, I have attached some pictures of the gifts we purchased along with a picture of Amy, Avaya and Mike. This was truly a wonderful experience! We were able to provide them with clothes, gift cards, food, and additional grocery gift cards to bring them into the new year. Our team has been incredibly generous and contributed \$1,342.50 which was matched by the Health and Wellness Committee for a grand total of \$2,685.00!

I would like to thank everyone for their generous contribution and the Health and Wellness Committee. Without you we couldn't make this possible.



HEALTH & WELLNESS

Wishlist Tips & Tricks

Championing Community Engagement at Girl Jam- May 2024

Belinda volunteered at a large Girl Guides event called Girl Jam at the CNE on May 25th. Over 5000 girls aged 5-17 enjoyed a jam-packed day of shows such as line dancing, belly dancing, magicians and hula hoop artists. The activities included traditional crafts such as friendship bracelets, and more adventurous ones like learning how to drywall, exploring space and the bottom of the sea, meeting Olympic athletes and women who work in Nuclear Science. A highlight for Belinda was that her daughter Lea (who worked for Dempsey in 2018) was the MC for the entire event! In the photos you can see Lea on stage and on the big screen. She did a great job introducing the speakers, keeping the



Supporting Our Community: A Core Part of Dempsey's ESG Commitment

As part of our Environmental, Social, and Governance (ESG) initiatives, Dempsey Corporation continues to prioritize giving back to the communities where we live and work. Over the past year, we've proudly supported several organizations and events that reflect our values of inclusion, sustainability, and positive impact.

Community Partners & Initiatives We've Supported:

- **United Way** - Championing social services and community welfare
- **Women's Day** - Promoting gender equity and empowerment
- **Girl Guides** - Supporting leadership development in young women
- **St. Michael's College** - Encouraging education and academic growth
- **Second Harvest** - Reducing food waste and fighting food insecurity
- **Nellie's Shelter** - Providing aid and safe refuge for women and children in crisis
- **Earth Day Community Cleanup** - Contributing to a cleaner, greener local environment

These contributions underscore our long-standing belief that corporate responsibility includes active, meaningful engagement with our communities. Whether through financial support, volunteer hours, or hands-on involvement, Dempsey is proud to stand with these important organizations and initiatives.

Sustainable Development Goals (SDGs)

Dempsey Corporation supports the vision of the United Nations Sustainable Development Goals (SDGs) as a framework for advancing environmental stewardship, social responsibility, and inclusive growth. While we operate as a privately held, regionally focused distributor, we actively align our ESG actions with SDGs that reflect our core business functions, workplace values, and supply chain influence.

Below are the goals most directly connected to Dempsey's verified initiatives and maturing sustainability practices:

SDG 3 – Good Health and Well-being

- 100% of new hires receive safety onboarding and role-specific WHMIS training
- All sites equipped with spill kits, ergonomic stations, and mental health resources
- No major reportable safety incidents in 2024
- Zero lost time from accidents in 2024
- Expanded access to virtual care platforms and internal wellness campaigns

SDG 4 – Quality Education

- 529 courses completed in 2024, totaling 314.5 training hours
- 100% onboarding training completion across departments
- Launch of a training hours SOP and new employee learning portal in 2025
- Tuition support and professional development offered for eligible roles

SDG 5 – Gender Equality

- 56% of employees identify as women across corporate and operational roles
- Inclusive leadership training launched for people leaders
- DEI tracking framework in development, respecting privacy standards
- DEI campaigns include cultural celebration events and inclusive policy reviews

SDG 8 – Decent Work and Economic Growth

- Stable full-time employment with competitive wages, benefits, and retention (97%)
- All suppliers required to follow Dempsey's Supplier Code of Conduct, which prohibits forced and child labor
- Medium- and high-risk suppliers are reviewed through sustainability screening tools
- 2025 goals include extending supplier ESG engagement and policy support

SDG 12 – Responsible Consumption and Production

- Shrink wrap recycling initiative diverted 83.85 kg of plastic waste
- Reuse strategy delivered a 44% reduction in shrink wrap use per pallet
- Office-wide recycling program to launch in Q1 2025 includes segregated organic, paper, and plastics bins across all floors
- Product stewardship practices include SDS management, sustainable sourcing discussions, and safer chemistry reviews

SDG 13 – Climate Action

- Montreal truck SOPs reduced Scope 1 emissions by 710 kg CO₂/year from idling management
- Full-year Montreal truck driving emissions calculated at 22.36² tonnes CO₂e
- HVAC efficiency improvements through smart thermostat scheduling and energy baseline audits
- Digital sustainability strategy for IT emissions reduction under deployment

SDG 17 – Partnerships for the Goals

- Supplier engagement in sustainable product development and low-impact formulations
- EcoVadis Academy training extended to internal ESG committee
- Collaboration with regional charities on needs of the community
- New 2025 Community Engagement Framework launched to structure partnerships and reporting

Looking Ahead

As Dempsey's ESG system matures, we will continue refining our alignment with the SDGs, ensuring that our initiatives are not just well-intended, but measurable, credible, and tied to global impact frameworks. This connection supports better transparency for customers, more ethical sourcing in our supply chain, and shared accountability across the organization.

Dempsey Corporation aligns its sustainability strategy with seven key United Nations Sustainable Development Goals (SDGs) that reflect our business operations and values. These include advancing health and wellbeing (SDG 3), education and skills development (SDG 4), gender equity (SDG 5), decent work and responsible supply chains (SDG 8), circular practices (SDG 12), emissions reduction (SDG 13), and cross-sector partnerships (SDG 17). Each goal is supported by measurable actions and verified outcomes across our workplace, operations, and supplier relationships.



Performance Data Summary

Dempsey Corporation is committed to tracking and improving its environmental, social, and governance (ESG) performance through measurable, evidence-based indicators. While our data management systems continue to mature, we have established key metrics to serve as a 2024 baseline and foundation for future reporting. Below is a summary of current ESG performance, compiled from internal audits, HR data, environmental tracking, and training logs across multiple departments.

Environmental Indicators

Carbon and Energy Use

- Scope 1 (Montreal truck): 22.36 tonnes CO₂e (driving + idling combined)
- Scope 2 (Toronto + Montreal facilities): 2.31 tonnes CO₂e from electricity use
- Idling emissions reduction: 710 kg CO₂ avoided annually from SOP controls
- HVAC upgrades: Smart thermostats scheduling piloted at 3 sites
- LED lighting upgrades 2024 for Toronto, Montreal pending for 2025

Waste and Resource Efficiency

- Shrink Wrap Recycling Program: 83.85 kg recycled
- Material use per pallet reduced by 44% through reuse protocol
- Office Recycling Program: Q1 2025 deployment, recyclables, organic, landfill
- Digital documentation initiative reduced paper usage in admin functions by ~40%
- Significant spills (>20L): = 0

Labor and Human Rights Indicators

Employee Profile

- Gender distribution: 56% identify as women
- Generational diversity: Gen X (38%), Millennials (36%), Gen Z (14%)
- Languages spoken: 6 (English, French, Spanish, Hindi, Portuguese, Tha)
- Union representation: 0 (non-unionized; open communication culture)

Training and Development

- Courses completed in 2024: 529
- Total training hours in 2024: 314.5 hours
- Average courses per employee: 5.29
- Average training hours per employee: 3.15
- New employee Onboarding training completion: 100%
- Leadership and DEI training launched in 2024
- Training SOP & self-reporting portal to launch in 2025

Health and Safety

- Major reportable incidents: = 0 (2024)
- WHMIS and role-specific safety training compliance: 100%
- Spill kits, PPE, and signage – all shipper staff trained at all warehouse sites
- Quarterly executive level safety reviews conducted

Governance and Ethics Indicators

Ethical Conduct and Compliance

- Employee Code of Conduct mandatory review by 100% of staff
- Whistleblower cases reported: = 0
- Workplace Harassment & Discrimination Policy in force across all regions

Sustainable Procurement

- Suppliers assessed via ESG checklist: 45 (100% of Tier 1)
- Suppliers with formal ESG scoring platform (EcoVadis, CDP, etc.): 62.2%
- Suppliers with basic ESG elements, but no official scoring: 37.8%
- Suppliers with no ESG engagement: = 0
- Supplier Code of Conduct sign-off: Target 95% by end of 2025 (current adoption in progress)

Notes on Data Maturity

- 2024 serves as Dempsey's first formal ESG data baseline year
- A centralized tracking platform is under development for 2025
- Quarterly performance dashboards will be introduced for training, carbon, and waste metrics
- Year-over-year comparisons and ESG scoring trends to begin with 2025 reporting cycle



Framework Alignment

Dempsey Corporation's sustainability strategy is guided by practical implementation, verified outcomes, and globally recognized frameworks that support consistency, comparability, and integrity in ESG reporting. While we are not currently subject to mandatory disclosure requirements, we voluntarily align our efforts with several respected standards that reflect our operational scope and stakeholder priorities.

EcoVadis Evaluation Framework

This ESG report has been structured in direct alignment with the EcoVadis methodology, covering the platform's four core themes:

- Environment – Our documented actions around waste reduction, energy tracking, Scope 1 and 2 emissions, and supplier environmental performance
- Labor and Human Rights – Our workplace policies, DEI initiatives, grievance reporting system, and staff safety protocols
- Ethics – Our anti-bribery training, whistleblower mechanism, and governance culture of compliance
- Sustainable Procurement – Supplier screening processes, ESG scoring reviews, and engagement through our Code of Conduct and risk profiling framework

Dempsey currently uses the EcoVadis platform for performance monitoring and corrective action tracking, and all supplier risk assessments conducted in 2024 were documented in accordance with EcoVadis-aligned principles.

Global Reporting Initiative (GRI)

Dempsey is not GRI, so while this report is not formally GRI-certified, we have drawn from the GRI Standards 2021 to inform content related to:

- Materiality mapping - based on stakeholder input and ESG relevance
- Governance disclosures - including ESG roles and oversight
- Workforce, emissions, and procurement metrics where data is available and verifiable

These alignments serve to improve transparency and prepare for future compatibility with recognized reporting structures.

UN Sustainable Development Goals (SDGs)

Dempsey has mapped key ESG initiatives to seven relevant SDGs:

Good Health (3), Quality Education (4), Gender Equality (5), Decent Work (8), Responsible Consumption (12), Climate Action (13), and Partnerships (17).

These goals reflect areas where we have reported real progress in 2024 and established frameworks for continued action in 2025.

GHG Protocol

Our Scope 1 and Scope 2 emissions tracking, most notably in the Montreal fleet, HVAC audits, and baseline electricity calculations, is being carried out using GHG Protocol guidance, with results summarized in our 2024–2025 GHG Emissions Statement and supporting SOPs.

OECD Guidelines for Multinational Enterprises

Our Supplier Code of Conduct and internal ethics policies are aligned with OECD guidance on responsible business conduct, particularly in areas of labor standards, non-discrimination, and anti-bribery.

ISO 14001 Design Principles

Dempsey is not ISO 14001 certified, but our environmental SOPs (e.g., Truck Idling Program, Spill Response, Energy Efficiency Report) integrate key EMS elements such as:

- Risk identification
- Documented controls
- Regulatory compliance
- Site-level training and spill readiness

These principles provide structure to our environmental management approach as we continue building system maturity.

Summary

This report reflects Dempsey's use of verified frameworks, policy-backed systems, and realistic goals. No forward-looking statements have been made unless supported by SOPs, metrics, or internal ESG declarations. This approach ensures our disclosures are grounded, auditable, and aligned with the real progress we are making across all four EcoVadis pillars.

Contact and Feedback

Thank you for reviewing the 2024 Sustainability Report of Dempsey Corporation. We believe sustainability is not a one-time achievement, but an ongoing responsibility, built through transparency, collaboration, and continuous improvement.

We welcome questions, insights, and partnership opportunities from all stakeholders, including customers, suppliers, employees, and community members. Whether you are seeking ESG documentation, exploring collaboration, or looking to exchange sustainability data, we are here to support your inquiry.

Primary ESG Contact

Dempsey Corporation – Sustainability Department

Email: sustainability@dempseycorporation.com

Website: www.dempseycorporation.com

For Suppliers

If you are a supplier and wish to:

- Review or adopt our Supplier Code of Conduct
- Participate in Dempsey's ESG risk assessments or policy audits
- Learn more about joining our EcoVadis-linked procurement efforts

Please contact our procurement and compliance teams through the above email address.

For Customers

If you require:

- Product sustainability attributes or documentation
- Safety Data Sheets (SDS) or regulatory compliance support
- Information on carbon emissions or packaging improvements

Our regulatory affairs and technical support teams are available to assist with documentation and product-specific ESG disclosures.

Dempsey is an active participant in the EcoVadis Network, and we encourage both suppliers and customers to use this platform for sustainability scoring and data exchange.

We value your feedback—every question, suggestion, or shared idea helps shape our sustainability roadmap and reinforces our collective impact. Together, we move closer to a more resilient and responsible supply ecosystem.

