



Fighting against forced labour and child labour in supply chains report

ABOUT THIS REPORT

This joint report is provided to meet our obligations and the requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and related guidance from Public Safety Canada, for the reporting period of January 1, 2023 to December 31, 2023. This report has been prepared on behalf of Seaspan ULC as the main reporting entity. The subsidiaries and affiliates included in this joint report are:

- Vancouver Shipyards Co. Ltd.,
- Vancouver Drydock Company Limited Partnership, represented by its general partner, Vancouver Drydock Company Ltd.,
- Victoria Shipyards Co. Ltd.,
- Seaspan Ferries Corporation, and
- Marine Petrobulk Limited Partnership, represented by its general partner, Marine Petrobulk GP Ltd.

For the purpose of this report, the terms "Seaspan", "Company", "we", "our", "us", as used in this document refer collectively to Seaspan ULC and all of its direct and indirect subsidiaries and affiliates previously listed.

Modern slavery refers to forms of contemporary slavery such as forced or compulsory labour¹, child labour², human trafficking or any other internationally recognized exploitative labour practices. It is a significant global issue impacting different industries, sectors and geographic locations. The Canadian government has committed to preventing and reducing these risks and has established the Act to require certain entities to report on the measures taken in this regard. As a company that employs approximately 4500 people within Canada, Seaspan believes it has a role to play in safeguarding the rights of workers, advancing supply chain transparency, and addressing and mitigating risks of modern slavery.

STEPS TAKEN TO PREVENT AND REDUCE THE RISKS OF FORCED LABOUR AND CHILD LABOUR

Responsible corporate governance is crucial to Seaspan's commitment to prevent and reduce modern slavery risks. In 2023, we established a cross-functional Modern Slavery Steering Committee comprised of representatives from key departments including Legal,

¹ As defined by Article 3 of: International Labour Organization (ILO), Forced Labour Convention, 1930 (No. 29)

² As defined by Article 3 of: International Labour Organization (ILO), Worst Forms of Child Labour Convention, 1999 (No. 182)

Supply Chain and Human Resources. The Committee's role is to coordinate and oversee efforts to meet the reporting requirements of the Act as well as assess and address modern slavery risks and issues in our operations and supply chain, including taking decisions related to the establishment of new policies and processes and the enhancement of existing frameworks and measures, as well as raising awareness and engaging with other relevant internal and external stakeholders where necessary. By bringing together cross functional representatives, this will enable a comprehensive and coordinated approach to our first year and future years reporting obligations and our approach to addressing the risks of modern slavery.

In addition to the establishment of the Modern Slavery Steering Committee, we have completed a modern slavery scoping exercise of our active suppliers to better understand modern slavery risks within our supply chain. This exercise will inform further supplier due diligence and risk assessment activities required to appropriately detect and prevent the risks of modern slavery for our suppliers that have an elevated risk exposure.

Lastly, in early 2024, we began integrating a contractual clause on modern slavery into our new agreements with suppliers. Throughout the remainder of 2024, the Modern Slavery Steering Committee will continue to update the Company's existing policies and due diligence processes to further incorporate modern slavery risk management and considerations.

OUR STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Our business activities are organized into two main corporate groups: Seaspan Shipyards and Seaspan Marine Transportation.

Seaspan Shipyards is comprised of the following entities included in this report:

- Vancouver Shipyards Co. Ltd., which builds large non-combat vessels for the Canadian Coast Guard and Royal Canadian Navy under Canada's National Shipbuilding Strategy at its shipyard in North Vancouver, BC.
- Vancouver Drydock Company Limited Partnership, which provides vessel repair, refit and maintenance services at its facility in North Vancouver, BC.
- Victoria Shipyards Co. Ltd., which provides vessel repair, refit and maintenance services at its facility in Esquimalt, BC.

Seaspan Marine Transportation is comprised of the following entities included in this report:

- Seaspan ULC, which provides tug and barge services along Canada's West Coast (including ship docking services, ship escort services, emergency towing services, and tug & barge transportation services) and is headquartered in North Vancouver, BC.
- Seaspan Ferries Corporation, which provides commercial ferry services between two terminals located in the Lower Mainland of BC (Delta and Surrey) and two terminals located on Vancouver Island (Duke Point, Nanaimo and Swartz Bay, Victoria).
- Marine Petrobulk Limited Partnership, which supplies various grades of bunker fuels to vessels entering the Port of Vancouver and other ports in British Columbia.

With well over a century of successful participation in coastal commerce, Seaspan is a major partner in the Pacific Northwest marine economy and is a trusted and strategic partner on a range of complex projects for both government and the private sector.

Our mission is to deliver the best marine solutions, always ensuring our core values Safety, Care, Efficiency and Accountability – and our commitments to quality and sustainability are at the heart of everything we do. These guide us in our daily operations and strategic decision-making processes.

In line with our commitment to safety, we strive to ensure that our team members can work in an environment where health and safety are prioritized, at our business locations, worksites and onboard our vessels. We expect and support all employees to demonstrate and continuously work to ensure the wellbeing of themselves and others in every activity across Seaspan. Tackling modern slavery risks in our supply chain is closely aligned with our broader corporate values and commitments. In line with this we are committed to:

- comply with all applicable and relevant laws and regulations related to modern slavery, including the Act; and
- maintain reasonable policies and controls to prevent, detect and remedy modern slavery risks in our operations and supply chain.

We have agreements with both national and international suppliers for the provision of goods and services. Our supply chains consist of over 1,500 direct suppliers, of which 700 suppliers comprise 98% of our 2023 annual spend. Of these 700 suppliers, 94% are located in Canada and the United States. Our remaining active suppliers are in Europe and China.

POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

We are committed to maintaining the highest standards of ethical conduct in all our dealings with employees, customers, suppliers, and the communities we serve. Under no circumstances should employees allow business to be conducted in an unlawful manner or contrary to regulatory requirements. As such, we have several policies and due diligence processes in place to ensure our employees and suppliers understand and support our commitment to ethical business conduct.

Our policies

Our employees are expected to understand and comply with the following policies to uphold Seaspan's commitment to strong and responsible business practices, including safeguarding the rights of workers. These policies include our:

- [Code of Conduct and Business Ethics](#)
- Respect in the Workplace Policy
- Diversity and Employment Equity
- [Safety, Health and Wellness Policy](#)

Our due diligence processes

Supply chain management is largely a centralized function at Seaspan responsible for all aspects of the supply chain process across the Company, including supplier pre-qualification and onboarding. A specialized procurement team is embedded within the Vancouver Shipyards business focused on our National Shipbuilding Strategy projects due to the requirements from the Government of Canada. Procurement policies, systems, and processes, however, are centralized and in place to support our procurement activities across Seaspan.

Our pre-qualification process requires new suppliers to be evaluated against pre-established risk criteria. Based on the scope of work, various questionnaires and information is required to be completed and obtained from the supplier. The topics addressed in these questionnaires currently relate to health and safety, environment, financial viability, and quality and do not currently assess for modern slavery risks. We plan to revise our pre-qualification process to integrate modern slavery considerations by the end of the next reporting period. Submission of information requests is generally updated every 3 years, however, key documents are requested from select suppliers on an annual basis. Once a supplier has been pre-qualified and onboarded, Seaspan continues to manage and mitigate the above noted risks throughout the course of the relationship with the supplier. The supply chain management team assesses supplier performance on a periodic basis. Instances of non-conformance to contractual requirements are assessed on a regular basis. Further due diligence and action is taken on suppliers that have not been compliant and that did not take appropriate action to remediate the identified non-conformance instance.

To encourage suppliers' alignment to legal requirements and expand our commitment to the detection and prevention of modern slavery to such business relationships, in early 2024, we have integrated a contractual clause on modern slavery in our agreements with suppliers. We require our suppliers to represent under contract that they have not contravened, been the subject of any investigation under, or been convicted of any offence under, any applicable modern slavery laws. If, during the course of contact negotiations, a potential supplier discloses that they are not able to make this representation, this will trigger a further investigation. In addition, our contract terms require suppliers to agree to comply with applicable modern slavery laws, to maintain policies and controls to prevent, detect and remedy risks in their operations and supply chains, to notify Seaspan of any suspected or actual breach of modern slavery laws, and to cooperate in good faith to investigate any such breach. A breach of any of these promises will give us the right to terminate the applicable contract.

Seaspan's stakeholders are encouraged to prevent, detect and report instances of non-compliance against modern slavery legal requirements and Seaspan's commitments in this regard. We have a Whistleblower Policy, which encourages open communication and supports employees to report violations, as well as an [Ethics Reporting](#) public mechanism to allow all stakeholders to report potential or existing risk or incident.

If an incident arises, it will be addressed through our current escalation processes, and appropriate corrective measures will be promptly taken to address these incidents, where applicable.

PARTS OF THE BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR

We have not been the subject of any investigation or been convicted of any offence under any modern slavery laws. Nevertheless, we have a complex supply chain where modern slavery risks may exist. To properly identify potential vulnerabilities, we engaged an external consultant to assist us in conducting a modern slavery scoping exercise in early 2024 of our active direct suppliers. This exercise has strengthened our understanding of heightened modern slavery risk exposure in our business and supply chains, such that we can shape further due diligence actions to minimize these risks. Through this scoping exercise, we assessed all our active direct suppliers by examining the country and sector risk. The country risk assessment was informed by the [WalkFree Global Slavery Index](#) in relation to forced labour risks and the International Labour Organizations' (ILO) [Child Labour Data](#) on child labour risks. The sector/category risk assessment was informed by the United Nations Global Marketplace [Sustainability Risk Ratings](#).

The findings highlighted that the majority of our suppliers operate in lower-risk countries, such as Canada who also have reporting obligations under the Act. Suppliers' geographical locations and sectors that were identified as a higher risk include:

Country Risk

- China;
- Poland; and
- Turkey.

Sector Risk

- industrial production and manufacturing services;
- building and facility construction and maintenance industries; and
- transportation services.

These countries and sectors, when combined, were identified as higher risk as protections for workers may not be to the same extent as those in North America.

We will build upon our existing procurement policies and due diligence processes, as outlined in the section above, to better understand and manage our modern slavery risk exposure especially as it relates to these higher risk countries and sectors.

MEASURES TAKEN TO REMEDIATE FORCED LABOUR OR CHILD LABOUR

Seaspan has not identified any instances of forced or child labour in its activities and supply chains within the financial year ended December 31, 2023, and therefore, no remediation measures have been taken.

MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES

Seaspan has not identified any instances of forced or child labour in its activities and supply chains within the financial year ended December 31, 2023. As such, there is no loss of income to remediate in the current year.

TRAINING

Members of the Modern Slavery Steering Committee have been working with an external consultant to increase its awareness and understanding of the Act's requirements, modern slavery risks, and best practices for addressing these risks. We will be leveraging related awareness and education materials to develop Modern Slavery related training for more of our employees.

ASSESSING EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR ARE NOT USED IN OUR BUSINESS AND SUPPLY CHAINS

To date, we have not taken actions to assess the effectiveness of our actions. We will continue to implement and evaluate our approach to addressing the risks of modern slavery and any effectiveness measures introduced will be reported on in future years.

COMMITMENTS BEYOND COMPLIANCE

We are committed to continuously improve our frameworks and processes to prevent, mitigate and address modern slavery existing and potential risks and incidents in our operations and supply chain. Therefore, we intend to undertake the following actions by the end of the following reporting period:

- we will review our existing policies and supplier due diligence and evaluation processes to identify where modern slavery considerations can be appropriately integrated;
- we will conduct further due diligence activities with the higher risk suppliers that were identified in our initial modern slavery supply chain scoping exercise;
- we will require our identified higher risk suppliers to provide an annual attestation that they have policies and practices in place to manage modern slavery risks;
- we will create a Supplier Code of Conduct, including considerations on compliance with modern slavery laws and regulations;

- we will continue to raise awareness on modern slavery risks and legal requirements among our key external and internal stakeholders, including our leadership teams and the governing bodies of the entities included in this report; and
- we will monitor emerging business practices related to forced labour and child labour risk management practices as well as further regulations and guidance issued by Public Safety Canada on this topic.

We recognize that every individual at Seaspan plays a role in creating a culture of safety we can all be proud of. It's through our safety leadership and commitment to legal requirements that we will positively contribute to each other's well-being and to enabling safe working conditions.

CONTACT INFORMATION

For more information, please contact: info@seaspan.com

Reports of risks and incidents can be made anonymously and confidentially through [Ethics Reporting](#). Any reports will be immediately investigated, and as previously mentioned, measures will be appropriately taken where deemed necessary.

APPROVAL AND ATTESTATION

For Seaspan ULC:

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 Seaspan ULC. 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.



Mark Lamarre

Director

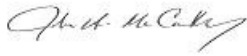
May 30, 2024

I have the authority to bind Seaspan ULC

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For Vancouver Shipyards Co. Ltd., Victoria Shipyards Co. Ltd. and Vancouver Drydock Company Limited Partnership:

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 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.



John McCarthy

Director

May 30, 2024

I have the authority to bind Vancouver Shipyards Co. Ltd., Victoria Shipyards Co. Ltd., and Vancouver Drydock Company Limited Partnership (as represented by its general partner, Vancouver Drydock Company Ltd.)

For Seaspan Ferries Corporation:

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 Seaspan Ferries Corporation. 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.



Mark Lamarre

Director

May 30, 2024

I have the authority to bind Seaspan Ferries Corporation

For Marine Petrobulk Limited Partnership:

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 Marine Petrobulk Limited Partnership. 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.



Francis Butzelaar

Director

May 30, 2024

I have the authority to bind Marine Petrobulk Limited Partnership (as represented by its general partner, Marine Petrobulk GP Ltd.)