

Modern Slavery Report 2023

FST Canada Inc.

This Modern Slavery Report (the “Report”) addresses the period from January 1, 2023 to December 31, 2023 and has been prepared in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “Act”). This Report is made on behalf of FST Canada Inc. (“FST Canada”) and certain of its subsidiaries (collectively, “FST Canada Group”, “we”, “us” or “our”). A French version of this Report may be requested from FST Canada by emailing jlewis@jjei.com.

1. Introduction

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading manufacturing and distribution business, FST Canada recognizes the important role that we have in ensuring that our operations and products, and the supply chains that support these, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps we have taken during Fiscal 2023 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by FST Canada or of goods imported into Canada by FST Canada.

2. Our Business

FST Canada manufactures and distributes infrastructure-maintenance equipment, specifically hydro excavators, liquid vacuum trucks and sidewalk tractors, and the distribution of additional equipment lines including sewer equipment, sweepers, and refuse trucks company headquartered in Canada. FST Canada has operations in Ontario, Manitoba, Quebec, Nova Scotia and Alberta, Canada. FST Canada supply chain includes businesses that supply goods and services to our organization.

In total, we procure goods and services from approximately 1550 suppliers and contractors. The suppliers we engage include businesses that supply raw material, parts and services.

3. Our Policies

Policies

Through our organizational and governance policies we communicate our values and expectations, setting a high bar for ourselves, our suppliers, and our selling partners, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working for us. We make every effort, including through carrying our due diligence and audits to monitor the performance of our suppliers, to prevent our activities having a negative impact on human rights. Our relevant policies are discussed in further detail below:

Code of Business Conduct and Ethics

We are committed to conducting our business in a lawful and ethical manner. FST Canada observes the policies and principles set out by its parent Company's, Federal Signal Corporation, Sustainability Report (the Code) (<https://www.federalsignal.com/sustainability>) is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, FST Canada employees should always act lawfully, ethically and in the best interests of FST Canada.

Supplier Code of Conduct

The Code details the requirements and expectations we have of our suppliers, their supply chains, and with whom we engage. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce the Code in their own operations and supply chain. The Code also sets forth our principles of inclusivity and accountability. We engage with suppliers that are committed to these same principles and suppliers commit to these standards as a condition of doing business with us. The Code is reviewed on an annual basis to ensure that this policy is in line with current best practices.

Whistleblower Policy

· Sustainability Report

Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks.

We acknowledge that employees working in our facilities and our supply chain are at potential risk of forced labour or child labour. In order to mitigate this risk, we follow a due diligence approach that includes the following steps:

- We conduct a reasonable country of origin inquiry to determine the source and chain of custody of Conflict Minerals in the components and materials supplied to the Company that are contained in its products. Our due diligence measures are in reasonable conformity, in all material respects, with the internationally recognized due diligence framework in the Organisation for Economic Cooperation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and related supplements for each of the Conflict Minerals.

4. Assessing Our Risk

FST Canada engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labour in our business and supply chains, we refer to external data sources, map supply chains and conduct risk assessments. To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- Reliance on low skilled workforce
- Dangerous or undesirable work

- Presence of migrant workers
- Presence of labour intermediaries
- Long, complex, or non-transparent supply chains
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights standards

Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as manufacturing.

5. Our Commitments

Steps to Prevent and Reduce Risks of Forced and Child Labour

Examples of steps taken to prevent and reduce risks of forced and child labour include:

- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains;
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains;
- Developing and implementing an action plan for addressing forced labour and/or child labour;
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily;
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour;
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains;
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains;
- Developing and implementing child protection policies and processes;
- Developing and implementing anti-forced labour and/or child labour contractual clauses;
- Developing and implementing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists;
- Auditing suppliers;
- Monitoring suppliers;
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour;
- Developing and implementing grievance mechanisms;
- Developing and implementing training and awareness materials on forced labour and/or child labour;
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour;
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour;
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour;
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks

Remediation Measures

Our Code of Business Conduct and Ethics and our Whistleblower Policy require all employees and contract workers of FST Canada to report actual or possible misconduct. We also undertake diligence efforts (as further described in this Report) to ensure that the risk of forced labour and child labour is mitigated in our business. In the event that we discover any forced labour or child labour in our business and supply chains, we take the following measures to remediate such forced labour or child labour:

- Suspension or termination of a supplier, sub-supplier or contractor;
- Actions to prevent forced labour or child labour and associated harms from reoccurring;
- Formal apologies;
- Capacity-building measures, enhanced supervision and/or monitoring of supplier, sub-supplier or contractor
- Community and stakeholder engagement or wider capacity-building measures.

Training

Every year, FST Canada personnel at all levels are required to complete a mandatory certification process to ensure that our Code of Business Conduct and Ethics is understood and properly applied to our daily activities. Every new employee of FST Canada must complete mandatory online training on our values and policies, including our Code of Business Conduct and Ethics, and is informed of how to report wrongdoing under our Whistleblower Policy. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge.

6. Our Progress and Effectiveness

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date no significant concerns or complaints have been identified.

We also assess the effectiveness of our policies by:

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour;
- Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and child labour clauses;
- Partnering with external organization to conduct an independent review or audit of the organizations actions;
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicator.

7. Approval & Signature

This Report was approved by FST Canada's Board of Directors on May 31, 2024 and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at www.jjei.com.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for FST Canada Group. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

By: 

Diane I. Bonina

Vice President and Assistant Secretary, May 31, 2024

I have the authority to bind FST Canada.