ANNUAL REPORT 2023

FIGHTING FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

MAY 31ST, 2024

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ATTESTATION

The Saint John Port Authority (SJPA) is obligated to comply with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). As a government institution falling within the Act's definition, SJPA must report on its efforts to reduce and mitigate risks related to forced labor and child labor in its supply chains.

The Act aims to uphold Canada's commitment to combat forced labor and child labor globally by imposing reporting requirements on government entities and businesses involved in producing, purchasing, or distributing goods.

In alignment with the Act, SJPA respectfully submits this report to support Canada's international efforts against forced labor and child labor.

Sincerely,

Craig Bell Estabrooks
President & CEO

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ANNUAL REPORT 2023
SAINT JOHN PORT AUTHORITY

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS (BILL S-211)

LEGAL NAME OF REPORTING INSTITUITION: SAINT JOHN PORT AUTHORITY (SJPA)

FINANCIAL REPORTING YEAR: JANUARY 1, 2023 – DECEMBER 31ST, 2023

REPORT STATUS: This is the initial report of the Saint Jon Port Authority under Bill S-211.

APPLICATION: Bill S-211 defines that the reporting obligation for a government institution is as follows: ***production of goods produced, purchased, or distributed by the government institution***.

It is important to note that the Saint John Port Authority does not produce or distribute any goods as defined by the Act.

AUTHORITY & STRUCTURE

The Saint John Port Authority, doing business as Port Saint John, is a non-shareholder, financially self-sufficient corporation established by the Government of Canada on May 1, 1999, under the Canada Marine Act, and accountable to the Federal Minister of Transport.

Port Saint John is governed by a board of directors consisting of seven members who set the strategic direction; approve policies, budgets, and major capital works; and set goals for corporate performance to guide the President & CEO and team.

The Saint John Port Authority employs approximately 52 people from its location in Saint John, New Brunswick.

GUIDING PRINCIPLES

As an organization, Port Saint John is responsible for the administration of the federal real property that is the Port of Saint John, New Brunswick, pursuant to the Canada Marine Act (1998, 2008). Understanding that our business must be conducted in a spirit that is faithful to the Canada Marine Act, Port Saint John has identified four directives in the Canada Marine Act that stand as its *Guiding Principles.*

These directives state that Port Saint John will:

- Remain financially self-sufficient
- Be strategically significant to Canada's trade
- Provide a link to a major rail line or a major highway infrastructure
- Have diversified traffic

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ACTIVITES

The activities of Port Saint John are in accordance with Section 28 *(Capacity of Powers)* of the Canada Marine Act and Article 7 *(Activities and Powers of the Authority and Subsidiaries)* of the Letters Patent.

At this time, all the activities of Port Saint John are carried out under Section 28(2)(a) with the exception of investing its surplus funds for which Port Saint John is acting independently and in accordance with Section 28(2)(b) of the Canada Marine Act:

CAPACITY AND POWERS

28 (1) *A port authority is incorporated for the purpose of operating the port in respect of which its letters patent is issued and, for that purpose and for the purposes of this Act, has the powers of a natural person.*

28 (2) *The power of a port authority to operate a port is limited to the power to engage in:*

(a) *port activities related to shipping, navigation, transportation of passengers and goods, handling of goods and storage of goods, to the extent that those activities are specified in the letters patent; and*

(b) *other activities that are deemed in the letters patent to be necessary to support port operations.*

CARRYING ON ACTIVITIES

28 (3) *The activities that a port authority may engage in under paragraph (2)(b) may be carried on by the port authority directly or through a wholly owned subsidiary of the port authority. The port authority and the subsidiary are not agents of Her Majesty in right of Canada for the purpose of engaging in those activities.*

UNITED NATIONS GLOBAL COMPACT INITIATIVE

In March 2023, Port Saint John joined the **United Nations Global Compact Initiative**, which is a voluntary leadership platform for the development, implementation, and disclosure of responsible business practices. In line with Port Saint John's commitment to these principles, we are proud to support the UN Global Compact which fully aligns with our corporate strategy and vision.

The UN Global Compact Initiative is a call to companies to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to act in support of UN goals and issues embodied in the Sustainable Development Goals (SDGs).

Launched in 2000, the UN Global Compact is the largest corporate sustainability initiative in the world, with more than 15,000 companies and 3,800 non-business signatories based in over 160 countries, and more than 69 Local Networks.

Port Saint John

QUESTIONNAIRE

1. What steps has the government institution taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased, or distributed by the government institution?

Bill S-211 defines that the reporting obligation for a government institution is as follows: ***production of goods produced, purchased, or distributed by the government institution***. It is important to note that the Saint John Port Authority does not produce or distribute any goods as defined by the Act.

Materials that are purchased by the SJPA are related to the construction, maintenance, development and administration of marine assets and lands under the administration of Port Saint John. This includes building and construction materials; technology equipment and services, office supplies and operational supplies and services. The majority of suppliers providing goods to the SJPA are Canadian companies, which carry a much lower risk of child and forced labour.

2. Which of the following accurately describes the government institutions activities:

Producing goods (including manufacturing, extracting, growing, or processing)	**None**
Purchasing goods	**Yes (within and outside Canada)**
Distribution goods	**None**

3. Does the organization currently have policies and due diligence processes in place related to forced labour and/or child labour?

The SJPA has corporate policies in place to provide the board, management, and staff with transparent guidelines on how to achieve our strategic objectives and reduce and mitigate risk. The list of policies below provides an overview of those that can be associated with reducing the risk of forced labour and child labour in supply chains.

- ***Purchasing and Tendering Policy/Code of Ethical Procurement Conduct*** - The SJPA is dedicated to upholding the highest ethical standards in all aspects of our procurement activities. This commitment ensures transparency, fairness, and integrity throughout the process. Below are the key principles that our employees are expected to comply with during procurement practices that are in alignment with Procurement Canada:
  - **Ethics and Professionalism*:*** All involved parties must adhere to ethical norms, demonstrating honesty, impartiality, and accountability.
  - **Conflict of Interest:** Avoid situations where personal interests interfere with objective decision-making.
  - **Environmental Protection:** Prioritize sustainable practices to support our sustainable targets, minimizing adverse environmental impact during procurement processes.
  - **Abuse and Harassment:** Treat all individuals with respect and dignity, fostering a safe and inclusive environment.

- **Human Rights and Labor Standards:** Uphold fundamental human rights and labor conditions, ensuring fair treatment and dignity for workers.
- **Indigenous Rights:** Acknowledge and respect the rights and perspectives of indigenous communities.
- **Human Trafficking, Forced Labor, and Child Labor:** Prohibit the use of goods produced by forced labor or child exploitation.

- ***Conflict of Interest/Code of Conduct*** - The ethical conduct of business is critical to the success of the SJPA. Ethical business conduct at Port Saint John, goes beyond compliance with the law; it means a commitment to integrity in all business operations. The SJPA Conflict of Interest Policy (Employees) is reviewed and signed off by employees at the start of employment and, as of 2024, will be signed on an annual basis. The Code of Conduct (Directors & Officers) is reviewed and signed annually.

- ***Risk Management Policy*** - Risk management is integral to the successful operation of business and strategic objectives. The purpose of this policy is to guide the implementation of a systematic and comprehensive approach to the management of risk at all levels of the organization. This policy supports the effective and efficient achievement of PSJ's goals and objectives, informed decision-making, and compliance with applicable directives, laws, and regulations

- ***Enterprise Risk Management Framework (ERM)*** - The ERM framework enhances an organization's ability to effectively manage uncertainty. It is a comprehensive, systematic approach for helping organizations, regardless of size or mission, to identify events, and measure, prioritize and respond to the risks challenging its most critical objectives and related projects, initiatives, and day-to-day operating practices.

4. Has the organization identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used?

The SJPA identifies purchasing from suppliers outside of Canada as an area of risk and employs its policies and training to mitigate risk.

5. Has the organization taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains?

The SJPA has not identified any forced labour or child labour in its supply chains. No actions were taken in 2023 to remediate the loss of income for those affected by mitigation measures.

6. Does the government institution currently provide training to employees on forced labour and/or child labour?

There are limited training and awareness activities for this reporting period. The SJPA has provided information to its Board of Directors and Senior Leadership team on the Act and its purpose and requirements. The SJPA will seek training and awareness program for the broader organization in the future.