



## Modern Slavery Report 2024

Federal Fleet Services Inc.

Asterix Inc.

Ottawa, Ontario, and Montréal, Québec 05/30/2025



# Modern Slavery Report 2024

Federal Fleet Services Inc. and Asterix

This Modern Slavery Report (the “Report”) addresses the period from 1 January 2024 to 31 December 2024 and has been prepared in compliance with *the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”). This Joint Report is made on behalf of Federal Fleet Services Inc. and Asterix Inc. (“FFS” and “AST,” “we,” “us,” or “our”).



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Federal Fleet Services Inc. and Asterix

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## 1. Introduction

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As leading vessel crewing and management businesses, FFS and AST recognize 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 procurement processes. This Report sets out the steps we have taken during Fiscal 2024 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 FFS and AST or of goods imported into Canada by FFS and AST.

## 2. Our Business

FFS is a corporation incorporated pursuant to the laws of Québec, with offices in Ottawa and its head office in Montréal, Québec. At any given time, FFS employs between 64 and 100 people in Canada, who are either located in Ottawa or serve as crew on the Combat Support Ship *Asterix*. AST is a corporation incorporated pursuant to the laws of Québec, with its head office located in Montréal, Québec. FFS and AST are under the common control of their parent company, Acadian Marine Holdings Limited, and are each governed by a board of directors. Both FFS and AST are in the business of supporting Canadian military, government, and humanitarian operations through the construction, ownership, servicing, and management of complex, mission-critical vessels. We most notably own, operate, and maintain the Combat Support Ship *Asterix* in direct operational support of His Majesty's Royal Canadian Navy.

The goal of FFS and AST's Procurement Department (the "Procurement Department") is to obtain the best value and quality for materials, goods, and services it procures and to maintain ethical standards in its relationships with its suppliers. The Procurement Department acts as the exclusive authorized agent for FFS and AST in the sourcing of materials, goods, and services. All purchases, including purchase commitments and related activities, are managed by the Procurement Department.

In Fiscal 2024, we procured goods and services from approximately 243 suppliers and contractors, who were primarily located in Canada, the United States and Europe. The suppliers we engage with include businesses that produce or provide:

- original equipment manufacturer parts and services;
- personal protective equipment;
- consumables for welding, electrical, paint, assembly, etc.;
- tools;
- steel, valves, cables, pipes, hoses, gaskets, paint, lightning, actuators, connectors, bearings, fasteners, etc.;
- personnel services; and
- specialized services, including engineers, specialists with technical expertise, and skilled labourers.

## 3. Our Policies and Due Diligence

### Policies



In our Employee Handbook under section 1.04 – Code of Conduct (the “Code”), we outline our values and expectations, setting the standard and expectations for our officers’, directors’, and employees’ conduct. Our Code asserts our commitment to conducting our business in a lawful and ethical manner. Our Code sets out guiding principles on professional conduct and establishes that, in performing their job duties, FFS and AST employees should always act lawfully, ethically, and in the best interests of FFS and AST. All employees during onboarding are provided with the Employee Handbook, which includes the Code, along with FFS and AST’s policies and principles.

## Due Diligence

FFS and AST operate a Corporate Management System in accordance with Quality Management Systems ISO 9001:2015 and Environmental Management Systems ISO 14001:2015. We are also certified and audited by the following organizations:

- Transport Canada under the International Maritime Organization (IMO); and
- International Labour Organization.

As such, we expect the third parties with whom we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. We rely on the cooperation of our suppliers and business partners and expect them to meet the standards of quality and ethics set out in our policies and Code, as well as to comply with industry and Government of Canada standards.

Before making any commitments towards third parties, we take steps to evaluate the relationship and mitigate certain risks by carrying out due diligence, which includes requesting the supplier to fill out a Supplier Application Form. The Supplier Application Form includes questions requiring suppliers to provide important details surrounding their business portfolio, including third-party certification to several standards (ISO, Class, and OHSAS 18001).

Our suppliers must comply with the Government of Canada’s Contract Security Program and the *Defence Production Act* (R.S.C., 1985, c. D-1); both of which require in-depth due diligence conducted by the respective departments within the Government of Canada. Further, contractors and subcontractors to the Government of Canada must adhere to the Government of Canada’s [Code of Conduct for Procurement – Canada.ca](#) (“Canada’s Code”). Section 10 of Canada’s Code outlines the requirements for Canada’s contractors and their subcontractors to “respect their workers’ workplace rights, and take steps to mitigate human trafficking risks and monitor compliance of labour and human rights in their supply chain.”<sup>1</sup>

If we identified a compliance issue within our supply chain through these diligence processes or otherwise, we would demand that any supplier implement any necessary corrective measures. Continued non-compliance may lead to additional remediation actions, up to and including termination of the business relationship.

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<sup>1</sup> Canada’s Code, s. 10, para 1. Online: [Code of Conduct for Procurement – Canada.ca](#).



## 4. Assessing Our Risks

We recognize that we may be indirectly linked to a risk of forced labour or child labour because of our business activities, and that certain sectors in our supply chain (including the procurement of equipment and personnel services) may pose a higher risk of forced labour or child labour. We rely on our policies and due diligence processes, and those of the Government of Canada (including its Contract Security Program), outlined in the Report to manage the risks of forced labour and child labour in our business and supply chains. Further, our immediate suppliers of personnel services are primarily based in Canada, with a number from the United States and Europe, all of which generally have pre-existing and robust labour, employment, and human rights legislation that helps to mitigate the risk of modern slavery in our operations and supply chain.

Our Supplier Application Form provides FFS and AST with an initial identification and assessment of supplier risk. We also currently map our supply chains to assist us in assessing our risk of forced labour and/or child labour in our business and supply chains. We plan on developing further tools to assess the more specific risks of forced labour and child labour in our business and supply chains, including those outlined in the “Our Commitments” section below.

## 5. Our Commitments

FFS and AST’s Human Resources Department works diligently to ensure all workers are recruited voluntarily. We will not tolerate child, forced, or bonded labour in any of our operations or by our direct suppliers. We will make legitimate efforts, including through carrying out due diligence and spot audits to monitor the performance of our suppliers and to prevent our activities having a negative impact on human rights. The following are examples of processes that FFS and AST intend to integrate into a four-year plan to prevent and reduce risks of forced labour and child labour:

- Conducting an internal assessment of risks of forced labour and/or child labour in FFS and AST’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 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 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; and
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour.



## Remediation Measures

Our Code requires all employees and contract workers of FFS and AST to report actual or possible misconduct. We also undertake initial diligence efforts (as described in this Report) to mitigate the risk of forced labour and child labour in our business. No instances of forced labour or child labour were identified in the reporting period, and we therefore did not take any remediation measures. In the event that we discover any forced labour or child labour in our business and supply chains, we commit to taking measures to remediate such forced labour or child labour, including the following:

- Suspension or termination of a supplier, sub-supplier, or contractor;
- Actions to prevent forced labour or child labour and associated harms from reoccurring; and
- Capacity-building measures, enhanced supervision and/or monitoring of suppliers, sub-suppliers, or contractors.

## Training

FFS and AST personnel at all levels are required to comply with the Code. Every new FFS and AST employee must complete mandatory onboarding training on our values and policies (including our Code) and agree to comply with the Code and all applicable federal and provincial laws.

## **6. Our Progress and Effectiveness**

As part of our overall business processes, we monitor compliance with our policies by reviewing any concerns raised through informal mechanisms and employee feedback. To date, no significant concerns or complaints have been identified.

We hope to develop key performance indicators with respect to human rights, including forced labour and child labour, in the future, that we can review on an annual basis. Examples of methods we hope to use to assess effectiveness include:

- Setting up a regular review or audit of FFS and AST's policies and procedures related to forced labour and child labour; and
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour through the tracking of relevant performance indicators.

## **7. Approval and Signature**

This Report was approved by both FFS and AST's Board of Directors on the 30<sup>th</sup> of May 2025, in accordance with paragraph 11(4)(a) of the Act, 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.federalfleet.ca](http://www.federalfleet.ca).

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 Joint Report for FFS and AST. 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 period listed above.



# Modern Slavery Report 2024

Federal Fleet Services Inc. and Asterix

## Federal Fleet Services Inc.

By 

Date: May 30<sup>th</sup>, 2025

Name: John Schmidt

Title: President

## Asterix Inc.

By 

Date: May 30<sup>th</sup>, 2025

Name: Chris Roe

Title: Company Officer