



## FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT REPORT

### 1 Introductory section

- 1.1 This report ("**Report**") is made pursuant to the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the following entities (together, the "**Reporting Entities**"):
- (a) Poseidon Corp. ("**Poseidon**") (Marshall Islands)
  - (b) Atlas Corp. ("**Atlas**") (Marshall Islands)
  - (c) Seaspan Corporation ("**SeaspanCorp**") (Marshall Islands)
  - (d) Seaspan Management Services Limited ("**SMSL**") (Bermuda)
  - (e) Seaspan Ship Management Ltd. ("**SSML**") (British Columbia, Canada)
- 1.2 SSML is a "Reporting Entity" because it distributes goods in Canada through distribution of office supplies and equipment to its employees based in Vancouver, BC.
- 1.3 SSML is a company wholly owned by SMSL, which is a corporation wholly owned by SeaspanCorp, which is in turn a corporation wholly owned by Atlas, which is in turn a corporation wholly owned by Poseidon. As each of Poseidon, Atlas, SeaspanCorp and SMSL own and control SSML either directly or indirectly, and SSML is a Reporting Entity, Poseidon, Atlas, Seaspan Corp and SMSL are also Reporting Entities.
- 1.4 This Report relates to the financial year ended December 31, 2023 ("**Reporting Period**").
- 1.5 Atlas (for itself and on behalf of its subsidiaries) also makes a Modern Slavery Act Statement pursuant to United Kingdom's *Modern Slavery Act 2015*. This statement is published on Atlas' website at [www.atlascorporation.com](http://www.atlascorporation.com).

### 2 Steps taken to prevent and reduce the risks of forced labour and child labour

- 2.1 In general terms, the Reporting Entities took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in its business and supply chains:
- Conducted certain due diligence and audits on certain of our direct suppliers, including some onsite investigations.
  - Worked internally to develop and implement contractual agreements with many direct suppliers, including those with provisions related to compliance with laws, anti-modern slavery, human rights matters.
  - Requested that certain key direct vendors share certain relevant ESG policies, ISO certifications, internal policies on modern slavery, among other documents.
  - Continued the monitoring of our whistleblower channel for complaints that may be related to



human rights and/or labour issues.

- Discontinued business relationships with vendors that pose a high level of risk, or do not comply with our policies and requirements.

2.2 Details on the foregoing are set out in further detail in this Report.

### 3 Structure, activities, and supply chains

#### Structure

3.1 Certain details about the legal structure of each of the Reporting Entities are set out below:

- SSML:** SSML is a corporation organized under the laws of British Columbia. SSML is wholly owned by SMSL.
- SMSL:** SMSL is a corporation organized under the laws of Bermuda. SSML is wholly owned by SeaspanCorp.
- SeaspanCorp:** SeaspanCorp is a corporation organized under the laws of the Marshall Islands. SeaspanCorp is wholly owned by Atlas.
- Atlas:** Atlas is a corporation organized under the laws of the Marshall Islands. Atlas' common shares are owned by Poseidon. Atlas has also several tranches of preferred shares that are publicly traded. Atlas is an asset management company that holds the Seaspan Group (as defined below) and APR Energy, a power generation company.
- Poseidon:** Poseidon is a corporation organized under the laws of the Marshall Islands. Poseidon is privately owned by several shareholders. Poseidon's main asset is its holdings in Atlas.

3.2 As each of Poseidon, Atlas, SeaspanCorp and SMSL own and control SSML either directly or indirectly, and SSML is a Reporting Entity, Poseidon, Atlas, SeaspanCorp and SMSL are also Reporting Entities. Each of Atlas, SeaspanCorp, SMSL and SSML have several wholly owned subsidiaries that are not Reporting Entities.

3.3 SeaspanCorp (along with its subsidiaries) (together, "**Seaspan Group**") owns and operates container vessels that are leased to the largest containership liners in the world. Within the Seaspan Group, SSML is the employer of record for most of Seaspan Group's employees working in our offices (approximately 250 employees in Vancouver, and approximately 50 employees in Hong Kong as of December 31, 2023).

3.4 Certain details about the organizational structure of each of the Reporting Entities are set out below:

- Poseidon:** Poseidon has a board of directors comprised of 6 members. Poseidon also has an audit committee (comprised of 3 directors) and a compensation and governance committee (comprised of 3 directors). Poseidon controls Atlas, and in turn, controls the Seaspan Group. Poseidon enacts its mandates through the board and management of Atlas and SeaspanCorp.
- Atlas:** Atlas has a board of directors comprised of 3 members. Atlas also has an audit



committee (comprised of 2 directors). Atlas is the sole parent of the Seaspan Group. The chief executive officer of Atlas is also the chief executive officer of SeaspanCorp.

- (c) **SeaspanCorp:** The chief executive officer of SeaspanCorp is its sole director of the board. SeaspanCorp is organized into the following departments: Operations, Finance, Commercial, Human Resources, and Legal. The chief executive officer, chief financial officer, chief operating officer, chief commercial officer, general counsel, head of human resources, and various other executives direct the business of the Seaspan Group on a day-to-day basis.
- (d) **SMSL:** SMSL has a board of directors comprised of 3 members. SMSL is managed and directed by the management team of SeaspanCorp.
- (e) **SSML:** SSML has a board of directors comprised of 2 members. SSML is managed and directed by the management team of SeaspanCorp.

### Activities

- 3.5 Poseidon and Atlas each operate as holding companies and do not maintain active operations. The Seaspan Group purchases newbuild and second-hand containerships and car carriers and charters such containerships and car carriers to global customers under long-term charter contracts. Therefore, the main business of the Seaspan Group does not pertain to the (a) production, sale or distribution of goods in Canada or elsewhere, or (b) importation of goods produced outside of Canada.
- 3.6 Seaspan Group distributes goods (in the form of office supplies and equipment) to its employees in Canada.
- 3.7 While we generally do not import goods into Canada as part of our business:
  - we may from time to time make one-time orders of goods and corporate branded merchandise from outside of Canada for employee and stakeholder appreciation and internal use; and
  - we may also import office supplies that are produced outside of Canada for our employees in Canada from time to time.
- 3.8 Seaspan Group, with the assistance of its joint venture company in Singapore, procures supplies that may be produced outside of Canada for the operation of its vessels. However, such supplies are generally used in connection with the operation of vessels and are not imported into Canada (except in limited instances and for a temporary period before being loaded onto vessels).

### Supply chains

- 3.9 In addition to the information on our direct supply chains set out in the 'Activities' section above, the Seaspan Group acquires newbuild and second-hand containership vessels, newbuild car carriers, vessel components, equipment, spare parts, inventory, lube oil and other consumables, many of which comprised of components produced in multiple countries and regions. While we conduct due diligence on our vendors and supply chains as detailed below, as well as ensure compliance with sanctions and other applicable laws and regulations, we do not currently track source countries or regions of each good that we purchase.
- 3.10 Direct suppliers include suppliers of vessel components, spare parts, inventory, fuel oil and lube oil



and other consumables.

- 3.11 Our newbuild containership vessels are constructed in mainland China and in South Korea.
- 3.12 Seaspan generally procures information technology (“IT”) equipment through various Canadian-based vendors and suppliers. The IT equipment is procured by a direct supplier that is located in Canada for use/consumption of Seaspan’s employees based in Canada.
- 3.13 Seaspan procures office supplies, kitchen appliance and supplies, furniture, and tools required for work through various Canadian-based direct vendors and suppliers. Direct vendors may include ad hoc purchase of supplies through vendors such as Staples or Amazon. The supplies are procured in Canada for use/consumption of Seaspan’s employees based in Canada.

#### **4 Policies and due diligence processes**

##### **Policies**

- 4.1 Poseidon, Atlas and the Seaspan Group endeavour to take a zero-tolerance approach towards any modern slavery in our supply chains. We aim to benchmark our approach to dealing with modern slavery against best practice in our industries and relevant international guidance.
- 4.2 We have implemented the following policies in relation to environmental, social and governance initiatives, which are provided to new hires during our standard onboarding process and which are refreshed annually by various internal teams, including the human resources team, fleet personnel (marine human resources) team, marine standards team, and legal team.
  - Standards of Business Conduct Policy;
  - Modern Slavery Act Statement, Harassment & Bullying Prevention Policy (Shore);
  - Sexual/Racial/Nationality & Other Workplace Harassment Policy (Seafarers);
  - Corporate Commitment to Diversity & Inclusivity;
  - Occupational Health & Safety Policy;
  - Employee Handbooks;
  - Compliance Reporting Policy;
  - Onboard Complaint Handling Procedure; and
  - Fair Employment Policy.
- 4.3 While not all of the policies above directly engage with matters of forced labour or child labour, they do reflect our goal to respect and uphold the dignity and human rights of our employees and other stakeholders.
- 4.4 The Maritime Labour Convention (“**MLC**”) establishes minimum standards for the working and living conditions of seafarers. The MLC addresses various aspects of seafarer recruitment and engagement, including the prohibition of forced and child labour, through requirements related to the disclosure of employer identity and employment terms, quality of accommodation, and health and safety on board vessels.
- 4.5 As a manager of vessels and crew, Seaspan Group demonstrates its compliance with the MLC through its annual Declaration of Maritime Labour Compliance (Part II), which outlines the measures taken by us to meet MLC requirements. This Declaration is audited annually by an independent



classification society to verify conformity with the MLC.

- 4.6 In our effort to uphold the highest standards of integrity, honesty, ethics, compliance and governance, Atlas has established a Compliance Reporting Policy. This policy outlines how we handle reports of actual or potential unethical, illegal, fraudulent or undesirable behaviour by our companies or their personnel. Our employees can report any concerns in good faith without fear of dismissal or retaliation. They should also cooperate with our investigations. Certain other parties, such as vendors, customers or business partners, can also submit good faith complaints under the policy.
- 4.7 Our policies are available on the Atlas website, the company intranet and the maritime policies through the safety management system available online to all seafaring employees. We also provide copies of these policies to new hires as part of our standard onboarding process. We also provide training to employees on our Standards of Business Conduct.
- 4.8 Seaspan Group's Ship Recycling Policy governs the processes and standards that the Seaspan Group follows when recycling end-of-life vessels. As part of our policy, Atlas considers the integrity and labour practices of the recycling yards and certain service providers with which it intends to do business. Seaspan Group will strive to only engage recycling yards that demonstrate acceptable environmental and labour practices conforming to the UK Modern Slavery Act.

#### **Due diligence processes**

- 4.9 Subject to exceptions determined on a case by case basis, we request that all of our vendors comply with our policies (published on Atlas' website), which cover environmental, social and governance (ESG) issues, human rights, anti-corruption and other relevant topics.
- 4.10 Our procurement personnel conducts risk-based due diligence in respect of all significant third-party relationships to ensure, among other things, such parties also endeavour to reduce modern slavery risks, and may request that certain parties take appropriate steps to prevent modern slavery in their own supply chains in the context of their engagement with us. We strive to alert all of our direct suppliers of our whistleblower channel (available on Atlas' website), and ask that they share those details with their own personnel.
- 4.11 If subjected to this diligence, a direct supplier that is provisionally assessed as a higher risk may be subject to further evaluations, which may include due diligence questionnaires, interviews, certifications or external due diligence reports. Our personnel must obtain legal department approval before proceeding with these transactions. Certain significant strategic and long-term supply chain relationships may be subject to periodic review of risk and repeat evaluations.
- 4.12 For certain of our long-term supply chain relationships, we request such parties to share with us copies of their ESG policies, ISO certifications, internal policies on modern slavery and other documents. We may request any vendor that is not able to meet the guidelines set out in our policies to provide a corrective action plan that sets out a path to compliance. If any such vendor fails to provide a corrective action plan to our satisfaction, we may choose to exclude working with such vendor.
- 4.13 As part of this due diligence process, we (through our joint venture specializing in procurement) engage the IMPA ACT (established by the International Marine Purchasing Association) to conduct annual audits on 25 vendors selected at random. The IMPA ACT audits evaluate how the vendors



manage their ESG risks, especially in the areas of human rights, environmental impact and anti-corruption. Based on the audit findings, we may request any vendor that poses a high level of risk to provide a corrective action plan that sets out a path to compliance. For any such vendor that fails to provide such corrective action plan to our satisfaction, we may choose to discontinue our business relationship with such vendor.

## **5 Forced labour and child labour risks in our business operations and supply chains**

- 5.1 We acknowledge that no sectors or industries involving the production or importation of goods are assumed to be completely free of risks related to forced labour or child labour (as has been stated by Public Safety Canada), and we have set out the current status of our risk assessment for our business operations and supply chains.

### **Forced labour and child labour risks in our business operations**

- 5.2 The crewing agents that help recruit and staff our vessels could potentially cause, contribute to or be directly or indirectly linked to an actual or potential risk of forced labour or child labour in the business operations of the Seaspan Group. We endeavour to enact processes to help ensure that they do not charge recruitment fees or require deposits from workers, that they verify the age, identity and qualification of the workers, that they respect the workers' freedom of movement and association, and that they provide fair and transparent contracts and working conditions.

### **Forced labour and child labour risks in our supply chains**

- 5.3 Our vendors that supply goods and services to our vessels, such as vessel components, equipment, spare parts, inventory, fuel oil, lube oil and other consumables, could potentially cause, contribute to or be directly or indirectly linked to an actual or potential risk of forced labour or child labour in the supply chains of the Seaspan Group.
- 5.4 Through our due diligence process, we've identified (a) West Africa and South America as the regions with the highest forced labour and child labour risks in our supply chains, and (b) drydocking and ship repair as the industries with the highest forced labour and child labour risk. We believe that the risks of the goods and services we procure depends more on the industries and geographic regions of our suppliers and their supply chains rather than on the specific goods or services procured.

## **6 Steps taken to assess and manage forced labour and child labour risks**

- 6.1 In addition to the other measures described in this Report to assess and manage forced labour and child labour risks in our business operations and supply chains, we also carry out the actions described in more specific detail below.

### **Actions with respect to our business operations**

- 6.2 We are committed to respecting human rights and to striving to reduce the risk of forced labour and child labour in our business and in our relationships with our stakeholders. We have implemented measures to monitor and mitigate the risks identified above, such as conducting due diligence on our crewing agents, training our crew, and providing a whistleblower channel (available for access on Atlas' website) to air grievances. We also work to comply with all applicable domestic labour laws with respect to our own employees.

## **Actions with respect to our supply chains**

- 6.3 As described in this Report, we request that all of our vendors (subject to exceptions determined on a case by case basis) comply with our Standards of Business Conduct Policy or have adequate policies and procedures to prevent and address any labour rights violations in their operations and supply chains.
- 6.4 The Seaspan Group contracts shipyards to construct newbuild vessels or provide drydock maintenance services on existing vessels from time to time. For shipyards that are considered higher-risk of forced labour or child labour, our asset integrity team may conduct onsite investigations on such shipyards prior to entering into formal engagement.

## **7 Remediation measures**

As we are not aware of any instances of forced labour or child labour in our business operations or our supply chains, there is nothing to report with respect to measures taken during the Reporting Period to remediate: (i) instances of any forced labour or child labour, or (ii) 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 our activities or supply chains.

## **8 Training**

- 8.1 Each year, all onshore staff of the Seaspan Group are required to complete our corporate governance and code of conduct training, which covers topics of modern slavery, forced labour, and child labour. This training session, which lasts approximately 1.5 to 2 hours, is organized in a classroom-based training format and is delivered via video conference. Our onshore staff may also receive additional training modules through online learning platforms. The purpose of this training is to help the onshore staff understand and comply with the ethical standards and legal obligations of the Seaspan Group.
- 8.2 All seafarers receive health and safety training, which lay emphasis on our safety management system. All newly hired seafarers (which include officers, cadets, ratings) undertake our Induction Program. In this program, participants are trained on health and safety matters, which helps to promote the safety of our own workplace.
- 8.3 Our Seafarer officers undertake RMII (Risk Management & Incident Investigation), which is a course that provides training on the daily practice of carrying out risk assessment during toolbox meetings, on identifying hazards and mitigating the risk play to set up for the work planned for the day.

## **9 Assessing the effectiveness of our actions**

- 9.1 To assess the effectiveness of our actions, we strive to benchmark our approach to dealing with modern slavery against best practice in our industries and relevant international guidance, such as the UN Guiding Principles on Business and Human Rights. Our benchmark process includes our annual audit against standard both internally and externally for compliance, specifically by International Organization Standards (ISO) and external accounting and consulting firms. The audits serve as a vehicle to evaluate effectiveness of our actions and as a platform for open dialogue on areas for improvement, both for our seafarers and shore personnel.
- 9.2 To help us assess our own hiring and labour practices, the employees of the Seaspan Group are asked to complete an annual employee engagement survey, through which employees can voice





their feedback anonymously. We share the results of the survey back to the employees as well as management teams and engage 'employee engagement champions' each year, representing all shore-based departments.

- 9.3 Our seafarers are also asked to complete the SCORA (Safety Culture Organizational Assessment) survey, through which seafarers can voice their feedback anonymously on matters such as communication, safety awareness, victualling and other aspects which impact the quality of life onboard.
- 9.4 We have implemented a whistleblower channel (available for access on Atlas' website), where policy violations can be reported. Each legitimate report received is investigated by our Legal, Human Resources or Internal Audit departments and reported to the Audit Committee of the Board of Directors of Atlas, if appropriate. We have also implemented whistleblowing channels for seafarers to anonymously report violations onboard our vessels.
- 9.5 As described in this Report, Seaspan Group demonstrates its compliance with the MLC (the Maritime Labour Convention as defined above) through its annual Declaration of Maritime Labour Compliance (Part II), and this Declaration is audited annually by an independent classification society to verify conformity with the MLC.
- 9.6 The Seaspan Group also conducts an annual assessment on each of our crewing agents (who are responsible for the engagement and recruitment of seafarers) for compliance with our standards, including verifying that each crew agent is registered and licensed in accordance with the MLC guidelines ratified in its respective jurisdiction.

## **10 Approval**

- 10.1 This Report was approved by the board of directors of Poseidon Corp. as the joint report of the Reporting Entities (as defined in this Report) for the Reporting Period (as defined in this report) pursuant to paragraph 11(4)(b)(ii) of the Act.
- 10.2 I make the above attestation in my capacity as a director of Poseidon Corp. for and on behalf of the board of directors of Poseidon Corp.

**Bing Chen**  
**Director**  
**May 24, 2024**

*/s Bing Chen*

*I have authority to bind Poseidon Corp.*