

MAY 2026 FISCAL REPORT

# Fighting Against Forced Labour and Child Labour in Supply Chains Act

British Columbia Ferry Services Inc.



A French version of this Report may be requested from  
British Columbia Ferry Services Inc. by emailing us at [procurement@bcferries.com](mailto:procurement@bcferries.com)





# Contents

Introduction .....	2
Structure, activities, and supply chains.....	3
Policies and due diligence.....	4
Risk assessment and management.....	4
Measures .....	4
Training .....	4
Assessing effectiveness .....	4
Attestation .....	5

In compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”), this report outlines the measures taken by British Columbia Ferry Services Inc. (“BC Ferries”, the “Company” or “we”) to prevent and mitigate risks of forced or child labour within BC Ferries’ supply chain during the fiscal year ending March 31, 2026. The mandatory reporting topics and BC Ferries response thereto are set out below.



## Structure, activities, and supply chains

BC Ferries operates ferry services under a regulatory framework established by the Coastal Ferry Act and under terms set out in the Coastal Ferry Services Contract (“CFSC”) between BC Ferries and the Province of British Columbia. BC Ferries’ sole voting common share is held by the B.C. Ferry Authority.

The CFSC is a 60-year agreement which commenced on April 1, 2003, and stipulates, among other things, the number of round trips that must be provided for each regulated ferry service route in exchange for specified fees. The CFSC and its amendments are available on our website.

To fulfill this mandate, BC Ferries manages a diverse supply chain that includes vessel renewal and maintenance programs, terminal upgrades, technology modernization, and operational services. Procurement activities span goods and services sourced primarily from Canadian suppliers, supplemented by select international vendors for specialized requirements.

From April 1, 2025 to March 31, 2026, approximately 37% of supply chain expenditures are allocated to services—predominantly delivered within Canada—while approximately 61% of supply chain expenditures are allocated to goods procurement, including specialized marine equipment and consumables essential for safe and efficient operations.

From April 1, 2025 to March 31, 2026, approximately 72% of contracting dollars were spent in Canada, with large portion of the remainder distributed across low-risk jurisdictions such as the United States, and Western European countries.

While this year’s percentage of goods and services purchased within Canada has been impacted by the timing of the purchase of new major vessels where there wasn’t a Canadian bid, BC Ferries’ average spend in Canada continues to be high, at 85% over the last five years.

*Notes:*

- a) Spend data reflects Canadian Dollar payments made to suppliers with a registered Canadian address. This does not indicate that all goods or services provided are produced domestically.*
- b) Figures represent payments during the fiscal year, not total contract commitments. Multi-year projects (e.g., vessel construction) will appear as incremental payments across successive reporting periods.*

## Policies and due diligence processes in relation to forced labour and child labour

BC Ferries has taken the following measures:

- **Supplier Code of Conduct:** Establishes clear expectations for compliance with applicable labour standards and laws.
- **Enhanced Contract Templates:** Incorporate explicit monitoring obligations in BC Ferries' new Master Goods and Services template for suppliers to take all reasonable steps to monitor and manage their own supply chain and subconsultants' compliance (including implementing appropriate policies and procedures) with all anti-slavery and human trafficking laws, statutes and regulations from time to time in force, including the Act.
- **Expanded Risk Analysis:** Includes detailed categorization of spend and country-of-origin data for improved traceability.

## The parts of the business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.

BC Ferries conducts comprehensive risk assessments using globally recognized benchmark - the Walk Free Global Slavery Index (2023 Edition).

**Key findings for fiscal year ending March 31, 2026:** The majority of BC Ferries' third party expenditures were directed to suppliers operating in jurisdictions assessed as having a low prevalence of forced or child labour.

## Any measures taken to remediate any forced labour or child labour

To date, no forced labour or child labour has been identified. BC Ferries will continue to consider

what additional measures it may undertake to monitor potential risks through its supply chain, in addition to the measures described in the policies and due diligence section described above.

## Any measures taken 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 our activities and supply chains.

To date, no forced labour or child labour has been identified.

## The training provided to employees on forced labour and child labour.

In FY 2026, training programs were expanded beyond procurement staff to include additional employees in the Supply Chain department. These initiatives reinforce awareness of legislative requirements, risk indicators, and supplier engagement strategies, ensuring alignment with industry practices.

## How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

Supplier disclosures are requested during applicable tendering processes. Increased participation in these processes has enhanced visibility and enabled more data-driven risk assessments.

BC Ferries remains vigilant and committed to evolving its practices to maintain the integrity of its supply chain.

## Attestation

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 entity 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. I have the authority to bind British Columbia Ferry Services Inc.



**Joy MacPhail**  
Chair, British Columbia Ferry Services Inc.  
Board of Directors