



Freshwater Fish Marketing Corporation

Corporate Plan FY2025/26 to FY2029/30

1. Executive summary	3
2. Overview	4
3. Operating environment	7
4. Objectives, activities, risks, expected results and performance indicators.....	10
5. Financial overview	12
Appendix 1 – Ministerial mandate letter or direction.....	13
Appendix 2 – Corporate governance structure	14
Appendix 3 – Financial statements	16
Appendix 4 – Risk and risk responses	20
Appendix 5 – Compliance with legislative and policy requirements	21
Appendix 6 – Government priorities and direction	23

1.0 Executive summary

The Freshwater Fish Marketing Corporation (FFMC) plays a pivotal role in meeting the unique needs of Canada's commercial inland fishery and remains focused on its vision of being the industry leader in marketing Canadian premium-quality freshwater fish products from Lake to Plate.

Since 2017, with the withdrawal of successive jurisdictions from the *Freshwater Fish Marketing Act (FFMA)*, the Government of Canada has engaged with fish harvesters, Indigenous organizations, provinces and territories, and industry stakeholders about FFMC's future. Following the Government of Canada's announcement to transform the Corporation through an open, transparent, and competitive process in November 2023, the Department of Fisheries and Oceans Canada conducted engagements with fish harvesters, Indigenous organizations and provincial and territorial governments to inform the development of bidding criteria for the competitive process, including promoting continued market access for rural, remote, and isolated harvesters, and economic reconciliation.

As the Corporation continues to face growing operational and financial challenges in an increasingly competitive environment, FFMC reassessed its strategic plan with a goal of refocusing efforts to improve performance. Through active collaboration between senior leadership and the Board of Directors the following strategic initiatives have been developed for immediate actions focused on results within the next 2 years and to set the stage for long-term success:

- Inventory and cash management;
- Plant operational and financial efficiency;
- Market management and growth;
- Fish harvester value and allegiance;
- Value-focused culture; and
- Embrace data and analytics.

Financial Plan

FFMC's projected operating budget for FY2025/26 is \$72 million based on sales revenue of \$66.2 million. Total payments to fish harvesters are forecast to be \$31.2 million or 47% of sales revenue. Planned retained earnings are \$1.3 million on April 30, 2026, 2% of net sales revenue. Forecasted total comprehensive loss is \$(6.0) million.

Capital budget

The Corporation expects to spend \$3.1 million on capital investments in FY2025/26.

Borrowing plan

The aggregate principal amount of borrowings outstanding in FY2025/26 will not at any time exceed \$48.8 million, which is below the maximum statutory limit of \$50 million.

2.0 | Overview

2.1 Corporate mandate

The Freshwater Fish Marketing Corporation (FFMC, the Corporation, or Freshwater) is a federal Crown corporation established in 1969 under the *Freshwater Fish Marketing Act (FFMA)*, for the purpose of marketing and trading in fish, fish products, and fish by-products in and outside Canada. The Corporation must conduct its operations on a financially self-sustaining basis, without parliamentary appropriations.

The Corporation purchases all fish legally caught and offered for sale in its mandate regions, which encompass Alberta and the Northwest Territories. Alberta closed its commercial fishery in 2014. These jurisdictions participate under agreements with the Government of Canada. The Corporation also purchases fish outside its mandate regions from individual fish harvesters or commercial fish cooperatives—specifically, from Saskatchewan and Manitoba, which were signatories to agreements with the Government of Canada until Saskatchewan withdrew from the *FFMA* in 2012 and Manitoba withdrew in 2017.

FFMC achieves its purpose by focusing on the specific activities set out in the *FFMA* and priorities set by the Government of Canada, which are:

- marketing fish in an orderly manner;
- promoting international markets for fish;
- increasing interprovincial and export trade in fish; and
- increasing returns to commercial fish harvesters.

2.2 Public policy role

Since 2017, with the withdrawal of successive jurisdictions from the *Freshwater Fish Marketing Act (FFMA)*, the Government of Canada has engaged with fish harvesters, Indigenous organizations, provinces and territories, and industry stakeholders about FFMC's future. Following the Government of Canada's announcement to transform the Corporation through an open, transparent, and competitive process in November 2023, the Department of Fisheries and Oceans Canada conducted engagements with fish harvesters, Indigenous organizations and provincial and territorial governments to inform the development of bidding criteria for the competitive process, including promoting continued market access for rural, remote, and isolated harvesters, and economic reconciliation.

A request for proposals (RFP) to acquire the FFMC was launched by the Government of Canada on December 5, 2024. The RFP is the process through which interested parties are invited to submit a bid to acquire the FFMC. The RFP process includes three stages:

- Stage 1: Solicitation of Initial Letters of Intent – December 5, 2024, to March 28, 2025
- Stage 2: Solicitation of Final Letters of Intent – May 7, 2025, to September 17, 2025
- Stage 3: Closing – Fall 2025 to Winter 2026

The anticipated timeline for the RFP is subject to change at DFO's sole discretion and DFO reserves the right to decline to accept any bid.

Further information is available at:

<https://www.dfo-mpo.gc.ca/fisheries-peches/initiatives/freshwater-marketing-commercial-poisson-eau-douce-eng.html>

2.3 FFMC Vision, Mission and Values

FFMC Vision

- To be an industry leader of premium-quality freshwater fish products through efficient supply chain management, value-added processing, and effective marketing.

FFMC Mission

- To maximize long-term returns to commercial fish harvesters through securing supply, creating an orderly market, promoting international markets, increasing trade in freshwater fish, and supporting the following continuing principles:
 - Enable access to international markets;
 - Maximize returns to stakeholders; and
 - Support the long-term viability of the inland fishery in Canada.

FFMC Values

- ***Fairness and respect for all:*** Treating everyone with dignity and respect are principles guiding all the work we do.
- ***Open, honest, and accountable relationships:*** We will continue to be transparent and report on the results of our successes and failures.
- ***Fish harvester-focused:*** We will continue to develop our relationships with fish harvesters across western and northern Canada.
- ***Teamwork and innovation:*** We will invest and develop through collaborative efforts.

2.4 Main activities, principal programs, and financial condition

The following is a description of FFMC's main activities:

Providing access to world markets for Canada's inland fish harvesters — FFMC's reach extends worldwide in both food service and retail marketing channels. Freshwater is one of the world's largest and most consistent suppliers of wild-caught Walleye, Lake Whitefish, mullet, and northern pike. Freshwater provides Canadian fish harvesters access to global markets while reducing their risk by hedging foreign currency sales and managing receivables. Although FFMC is a limited player in the global fish and seafood market, the Corporation is a brand leader in several foreign markets.

Ensuring food safety and quality assurance for Canadian freshwater fish — FFMC's stringent handling, transportation, and processing standards ensure all products meet regulatory requirements. FFMC works closely with the Canadian Food Inspection Agency (CFIA) and customers to ensure its processing facility meets federal and customer requirements for food safety and quality.

Supporting fish harvesters, employees, and customers throughout the supply chain — Commercial fishing is often one of the few primary economic opportunities available in the many remote and northern communities FFMC serves. In many communities where Freshwater operates delivery points, the fishery is the main opportunity for economic development. Many of these communities are predominantly Indigenous (First Nations and Métis). FFMC's presence fosters independent business ownership, increases employment in rural and remote regions of Canada and promotes other direct and indirect economic benefits for fish harvesters, their families, and the wider communities in which they live.

Supporting the sustainability of freshwater fish stocks — Canadian freshwater fish, by virtue of the remote lakes from where they are caught, are an abundant resource. All species are wild caught from freshwater lakes in northern and western Canada. FFMC works with and supports regulators and governments to help monitor and contribute to maintaining long-term sustainable fish populations.

Orderly market and price maintenance — Freshwater buys all fish offered for sale either through its mandate or through fish-purchase contracts. FFMC balances wild-caught supply with market demand. For example, FFMC sells most of its products frozen, coordinating supply with demand and increasing returns to fish harvesters.

Investing in processing infrastructure to meet fishery and market needs — FFMC has invested nearly \$20 million since 2010 in infrastructure, processing equipment and systems to add value to products and ensure food processing standards.

FFMC's activities are consistent with the Government of Canada's priorities. Additional details on FFMC's main activities, principal programs and financial condition are available in our most recent annual report at <https://www.freshwaterfish.com/reports/>.

3.0 | Operating environment

3.1 Economic outlook

The global economic outlook has improved fractionally compared to 2024. Economists are forecasting stable growth, combined with declining inflationary pressures. The Organization for Economic Co-operation and Development (OECD) projects that although global economic growth is expected to average 2.8% through 2026, significant challenges remain in terms of inflation, recession risks and geopolitical tensions.

According to the OECD, in the United States, where FFMC sells most of its product, growth is expected to fall from 2.6% in 2024 to 1.7% in 2025 before recovering to 2.2% in 2026. This is significant for FFMC as the U.S. is the Corporation's primary sales market. The proposed 25% tariff on imports into the U.S. creates significant uncertainty for FFMC, where the Corporation earns more than two thirds of its revenue. If the U.S. government moves ahead with the 25% levy on all Canadian exports as suggested, the action could place the Canadian economy into a deep recession, impacting FFMC's domestic sales revenues.

3.2 External environment

FFMC transformation

Since 2017, with the withdrawal of successive jurisdictions from the *Freshwater Fish Marketing Act (FFMA)*, the Government of Canada has engaged with fish harvesters, Indigenous organizations, provinces and territories, and industry stakeholders about FFMC's future. Following the Government of Canada's announcement to transform the Corporation through an open, transparent, and competitive process in November 2023, the Department of Fisheries and Oceans Canada conducted engagements with fish harvesters, Indigenous organizations and provincial and territorial governments to inform the development of bidding criteria for the competitive process, including promoting continued market access for rural, remote, and isolated harvesters, and economic reconciliation.

A request for proposals (RFP) to acquire the FFMC was launched by the Government of Canada on December 5, 2024. The RFP is the process through which interested parties are invited to submit a bid to acquire the FFMC. The RFP process includes three stages:

- Stage 1: Solicitation of Initial Letters of Intent – December 5, 2024, to March 28, 2025
- Stage 2: Solicitation of Final Letters of Intent – May 7, 2025, to September 17, 2025
- Stage 3: Closing – Fall 2025 to Winter 2026

The anticipated timeline for the RFP is subject to change at DFO's sole discretion and DFO reserves the right to decline to accept any bid.

Further information is available at:

<https://www.dfo-mpo.gc.ca/fisheries-peches/initiatives/freshwater-marketing-commercial-poisson-eau-douce-eng.html>

Sales markets

Challenges in the food service industry and the restaurants that are FFMC's primary customers include the rising cost of goods, fluctuating customer spending and staffing shortages. These factors are reshaping the industry, forcing FFMC's customers to adapt to new economic realities. Increased market supplies of Walleye and Lake Whitefish continue to place downward pressure on selling prices.

The open fish buying market

Competition for fish supply, particularly in Manitoba, is now firmly established, straining cash flows and impacting the profitability of the Corporation.

The effect of climate change on the fishery

Climate change is affecting the health of many freshwater lakes from where FFMC buys fish because of fluctuations in water temperature, species composition, spawning patterns, and the timing and variations in fishing seasons compared to historical trends. The volatility of climate change inserts additional risks into FFMC's operations and business plan. Mitigation of climate change impacts to fisheries in western Canada will require concerted effort from management agencies and is complicated by other factors such as overfishing, invasive species, land-use change, resource development, and habitat alteration.

3.3 Internal environment

People and operations

FFMC adds to its workforce during peak delivery periods in June, September, and October. Total production staffing reached approximately 425 people during FFMC's peak season in the fall of 2024. FFMC employs 60 management, processing support, selling, and administrative staff. On average, over the next five years, approximately 250 annual equivalent employees will support the purchasing, processing, administration, and marketing of freshwater fish at FFMC.

Health and safety

The Corporation demonstrates health and safety leadership by ensuring that:

- The Workplace Health and Safety Committee (WHSC) is active and fulfills its mandate;
- FFMC's internal occupational health and safety systems are following requirements under Occupational Health and Safety (OHS) Regulations of the Canada Labour Code Part II;
- There is continuous improvement through the annual scheduled review of OHS system programs and associated safe operating procedures, ensuring education and consistent enforcement of these programs throughout all levels of the Corporation;
- A forum exists to bring forth, discuss, and resolve all occupational health and safety concerns or complaints from FFMC employees in a timely manner, and establish realistic actionable solutions and timelines for resolution;
- All WHSC members actively participate in the implementation review, planning, and amendment to work processes and procedures that may impact occupational health and safety;
- A monthly schedule ensures that a workplace inspection occurs at least once during the fiscal year; and
- An elevated level of communication between the WHSC Committee and FFMC senior leadership ensures action and accountability for all safety related matters.

Labour relations

FFMC engages in positive, mutually respectful relationships with its unions to enable the Corporation and its employees to be more successful. Regular labour management meetings are held between FFMC and union leadership to discuss issues and strategies and share information. The Public Service Alliance of Canada (PSAC) represents five power engineers at FFMC. Unifor represents fish processing and plant maintenance employees constituting the majority of FFMC's work force. 3-year collective agreements with PSAC and Unifor were successfully renegotiated in 2024.

3.4 External reviews

The Office of the Auditor General of Canada in 2017 conducted a Special Examination to determine whether the Corporation's practices ensured that assets are safeguarded, that resources were managed economically and efficiently, and that operations were conducted effectively. Overall, the report found weaknesses and deficiencies in the oversight and management of the Corporation and in the way operations were conducted. Freshwater's Board of Directors accepted all four recommendations and have implemented corrective actions to address the concerns identified. The 2017 Special Examination and the Corporation's action plan in response are available on FFMC's website:

<https://www.freshwaterfish.com/wp-content/uploads/2021/06/SPECIAL-EXAM-Freshwater-Fish-Marketing-ENG-Mar15-2017-FINAL.pdf>

<https://www.freshwaterfish.com/wp-content/uploads/2021/08/Special-Exam-Detailed-Action-Plan-PACP-CHART.pdf>

4.0 | Objectives, activities, risks, expected results and performance indicators

4.1 Objectives, activities and strategic focus

To address existing challenges and create actionable steps to optimize FFMC's resources, strengths, and capabilities within current constraints, particularly the open-market operating environment, six strategic focus areas have been identified to advance the Corporation's role in Canada's freshwater fishery:

- *Inventory and cash management:* manage cash flow and reduce debt through enhanced visibility, planning, and inventory management.
- *Plant operational and financial efficiency:* enhance the transparency of financial metrics related to plant processing to instill confidence in the cost of goods sold, sales margins, waste thresholds, and the effective utilization of work-in-process.
- *Market management and growth:* improve market access and resilience through enhanced knowledge, coverage, and customer relationship management.
- *Value-focused culture:* build an aligned, engaged, and satisfied value-focused workforce, driving operational effectiveness and performance.
- *Fish harvester value and allegiance:* establish a dependable and collaborative supply network among fish harvesters to promote sustainable development and encourage the desired mix and quality of fish deliveries.
- *Embrace data and analytics:* embrace data analytics and visualization capabilities within the corporation, fostering a culture that prioritizes and values data-driven insights and decision-making.

4.2 Risk overview

FFMC uses its risk management framework as a crucial mechanism for both mitigating the risks faced by the Corporation and identifying future opportunities. The mechanism ensures that risks are identified, assessed, managed, monitored, and reported on in a comprehensive manner. Management considers risks and opportunities at all levels of decision-making.

The Corporation's performance is influenced by factors including competitive pressures, economic conditions, volatility of fish deliveries and conditions in the markets where FFMC sells its products. Also, as a Crown corporation governed under a legislative framework, FFMC's performance could be impacted by changes to shareholder objectives or directions given by governing bodies. By systematically integrating risk management as a key process across the Corporation, FFMC strives to create value for fish harvesters and to compete effectively in world markets. FFMC's seven major categories of risk are demand, strategic, financial, operational, people, resource supply and climate change.

Strategic risk is risk that prevents the Corporation from achieving its operating and strategic objectives. The external environment is monitored to discern if strategic changes are required to address emerging risks. Potential strategic risks are identified and assessed to risk criteria. The critical strategic risk in FY2025/26 is that FFMC remains a going concern as the Government of Canada pursues the divestiture of the Corporation.

Demand risk is the potential for monetary loss due to differences between forecasted and actual customer revenue and volume. Sales volume and sales revenue forecasts may be impacted by many components including economic changes in markets where FFMC sells its fish, the financial position of customers, prices of alternative proteins relative to freshwater fish, and changing food service and retail consumer tastes and expectations. These and other demand risks could result in lost profit and unrealized sales opportunities for the Corporation, affecting inventory levels, processing efficiency and achievement of strategic objectives.

Financial risk as the term suggests is risk that involves monetary loss caused by elements impacting FFMC that may include market risk (foreign exchange risk and interest rate risk), credit risk (accounts receivable) and liquidity or cash flow risk.

Operational risk is risk associated with internal resources, systems, and processes used by the Corporation. The key operational risks facing FFMC include inherently inefficient practices, particularly the implementation of round fish processing and roe extraction used in FFMC's Winnipeg plant, aging plant infrastructure, the diversity and forms of species purchased, and the complexity of products sold.

People risk is the risk that employees do not follow FFMC's procedures, processes, and policies, deviating from expected behaviour in a way that could damage the Corporation's performance and reputation. FFMC maintains a governance structure that includes policies and procedures to guide employee conduct. Deteriorating employee satisfaction could lower motivation and engagement. A loss of organizational knowledge and skills due to employees leaving the organization without an effective succession plan is also a significant risk. Uncertainty associated with the ongoing divestiture of the Corporation poses a risk of losing high-performance employees. There is also a significant risk of losing institutional knowledge and skills due to retirement. Without an effective succession plan, a risk to business continuity also exists. Lack of investment in people, human resources processes and a human resources digital infrastructure also introduces risk into FFMC's future.

Resource supply risk refers to a material change in the volume of fish deliveries to FFMC. Competition for fish supply in the open market is fierce. Additional factors include but are not limited to the population and biomass of specific species, the state of freshwater fish stocks in FFMC's supply area lakes, and limitations on catch levels determined by annual administered quotas.

Climate change risk is the risk that long-term shifts from changes in temperatures and weather patterns impact fish volumes and the sustainability of fish species throughout FFMC's supply area. FFMC's freshwater fish supply chain will experience disruptions in the future related to the permanence of a changing climate.

4.3 Expected results and key performance indicator overview

FFMC uses a strategic management model as a framework to evaluate its performance and to define the major activities under critical business outcomes.

	FY2023/24 Actual Performance	FY2024/25 Performance Target	FY2024/25 Forecast Performance	FY2025/26 Performance Target	FY2029/30 Performance Target
Total Comprehensive Income(Loss)	\$(7.2) million	\$(2.3) million	\$(1.5) million	\$(6.0) million	\$0.8 million
% return to fishers	48.0%	45.0%	43.0%	47.0%	41.0%
Retained earnings	\$8.8 million	\$10 million	\$7.3 million	\$1.3 million	\$(0.02) million
Reduce expenses	4% higher than plan	Meet FY2024/25 operating plan of \$76.1 million	\$72 million	\$72 million	\$72.9 million
Sales revenue	5% lower than plan	Meet FY2024/25 sales target of \$73.8 million	\$70.4 million	\$66.2 million	\$73.8 million
Direct labour efficiency	0.5% higher than plan	Meet planned FY2024/25 direct labour efficiency levels	3% lower than plan	65.9 kgs processed per direct labour hour	70 kgs processed per direct labour hour
Operational costs per kg	5% higher than plan	Meet planned FY2024/25 operational costs per kg	7% higher than plan	\$1.89 per kg processed	\$1.75 per kg processed
Initial payments to fishers	\$32.5 million	\$33.4 million	\$30.3 million	\$31.2 million	\$30.3 million
Fish deliveries	10.2 million kilograms	10.6 million kilograms	9.9 million kilograms	10.5 million kilograms	9.7 million kilograms
Employee attendance	equal to FY2022/23 actual	2% improvement over FY2023/24 actual	1% improvement over FY2023/24 actual		
Employee retention				92%	97%
Inventory level	39% higher than plan	Meet planned inventory levels	11% higher than plan	Meet planned inventory levels	Meet planned inventory levels

References to kilograms are in round equivalent weight(REW). REW is commonly used in the industry and is the weight of the fish as it was pulled from the water.

5.0 | Financial overview

Expected results for the plan period FY2025/26 to FY2029/30

As discussed in section 4.0, to address existing challenges and create actionable steps to optimize FFMC's resources, strengths, and capabilities within current constraints, particularly the open-market operating environment, six strategic focus areas have been identified to advance the Corporation's role in Canada's freshwater fishery - inventory and cash management, plant operational and financial efficiency, market management and growth, fish harvester value and allegiance, value-focused culture and embrace data and analytics.

The financial plan and key assumptions reflect FFMC's assessment of the Canadian inland commercial freshwater fishery as outlined in section 3.0. The overall outlook for the fishery that FFMC supports in Canada will become increasingly demanding over the planning period.

Appendix 1 – Ministerial mandate letter or direction

FFMC mandate letter

Since 2017, with the withdrawal of successive jurisdictions from the *Freshwater Fish Marketing Act (FFMA)*, the Government of Canada has engaged with fish harvesters, Indigenous organizations, provinces and territories, and industry stakeholders about FFMC's future. Following the Government of Canada's announcement to transform the Corporation through an open, transparent, and competitive process in November 2023, the Department of Fisheries and Oceans Canada conducted engagements with fish harvesters, Indigenous organizations and provincial and territorial governments to inform the development of bidding criteria for the competitive process, including promoting continued market access for rural, remote, and isolated harvesters, and economic reconciliation.

A request for proposals (RFP) to acquire the FFMC was launched by the Government of Canada on December 5, 2024. The RFP is the process through which interested parties are invited to submit a bid to acquire the FFMC. The RFP process includes three stages:

- Stage 1: Solicitation of Initial Letters of Intent – December 5, 2024, to March 28, 2025
- Stage 2: Solicitation of Final Letters of Intent – May 7, 2025, to September 17, 2025
- Stage 3: Closing – Fall 2025 to Winter 2026

The anticipated timeline for the RFP is subject to change at DFO's sole discretion and DFO reserves the right to decline to accept any bid.

The mandate of the FFMC will continue until the divestiture of the Corporation. The *FFMA* includes provisions specifically addressing the role of the Corporation in the freshwater fishing industry in Canada. The *FFMA* states that FFMC should market fish in an orderly manner, increase returns to fish harvesters, promote international markets, and increase interprovincial and export trade in fish.

Appendix 2 - Corporate governance structure

Board of Directors

FFMC is committed to maintaining a strong governance framework that guides our leadership and strengthens the reputation and value that we have earned across global and domestic markets. We are committed to our legislated mandate, and to maintain the Corporation's role in the western and northern Canadian fishery for the Government of Canada.

The Board of Directors (the Board) has overall responsibility to oversee the management of the Corporation's business and affairs. In exercising its powers and performing its duties, the Board acts honestly and in good faith with a view to the best interests of the Corporation, which involves considering the interests of fish harvesters, employees, and our sole shareholder, the Government of Canada, in accordance with our governing by-laws and applicable legislation.

To fulfill its stewardship responsibilities, the Board establishes and approves Freshwater's strategic direction through a five-year Corporate Plan and reviews and approves major strategies and goals. It exercises due diligence by assessing risks and opportunities, ensuring the integrity of financial results, and providing timely reports to the Government of Canada.

The Board has eight available positions and as of October 31, 2024, consisted of seven Directors, including the President. While Alberta is a participating province under the *FFMA*, the Alberta director position remains vacant because Alberta closed its commercial fishery in 2014. In December 2024, Karlene Debance resigned from her position on FFMC's Board. The Board and its Committees hold in camera sessions at each of their meetings without the presence of management. From May 1, 2024, to October 31, 2024, the Board met 5 times.

Governance framework

In addition to the Board, FFMC's governance framework includes two standing committees to guide corporate decision-making, the Governance committee and the Audit and Risk Committee. The Board and its committees may hire independent advisors as necessary to discharge their duties and responsibilities.

The Governance Committee is responsible to assist the Board in its oversight duties by evaluating and recommending to the Board corporate governance practices applicable to the Corporation. The Governance Committee, among other things, helps the Board to ensure that FFMC management has established appropriate policies and procedures, and that they follow appropriate and best practices, respect the spirit and intent of relevant government guidance and goals, and comply with applicable legislation. The Committee also leads the Board in its review and assessment of the Board's performance.

The Audit and Risk Committee is responsible to assist the Board in discharging its oversight duties relating to risk management, internal controls, financial reporting, the internal and external audit processes, FFMC's system of internal controls, compliance with FFMC's Foreign Exchange Hedging Policy, and compliance with laws and regulations.

Both committees of the board report the results of their activities to the board on a regular basis.

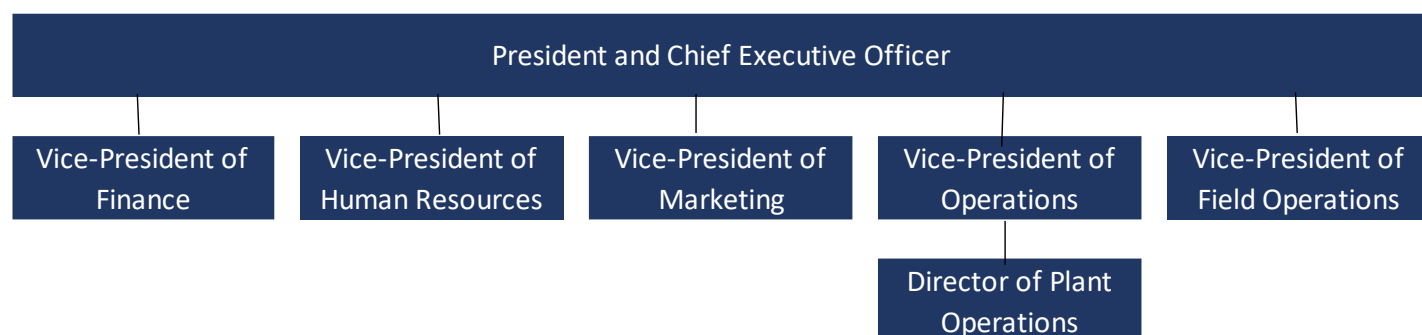
FFMC reimburses Board members for all reasonable out of pocket expenses incurred while performing their duties related to FFMC, including travel, accommodation, and meals. FFMC posts associated travel and hospitality expenses for Board members and senior leadership on its website monthly. The Corporation conducts weekly operational

reviews, with senior management focusing on operational key performance indicators (KPI's) that include fish deliveries, material yield, labour efficiency, inventory management, accident frequency, absenteeism, and overtime levels. Progress against the Corporation's strategic goals is monitored and appropriate follow-up action is taken to meet the objectives of FPMC's strategic plan. Comprehensive monthly performance reviews with senior management and quarterly reviews with the Board focus on financial and species performance, field operations, fish deliveries, marketing performance, processing operations and human resources.

While the President receives an annual salary, the Chair of the Board earns an annual retainer and a per diem set by the Governor-in-Council pursuant to the *Financial Administration Act (FAA)*. Directors earn a per diem also set by the Governor-in-Council in accordance with the *FAA*.

Board member	Term	Committee membership	Committee meeting attendance to 2024.10.31	Board meeting attendance to 2024.10.31	Retainer (A)	Per diem (B)	Total remuneration (A+B)	Travel and related expenses
Karlene Debanche	2021-07-01 - 2025-06-30	Governance	~	2/5	\$ -	\$ 825	\$ 825	\$ -
Thomas Colosimo	2019-06-19 - 2026-06-18	Governance	~	5/5	\$ -	\$ 1,650	\$ 1,650	\$ 763
Vincent Crate	2019-06-19 - 2025-09-14	Audit and Risk	2/2	4/5	\$ -	\$ 1,375	\$ 1,375	\$ 473
Dana Gregoire	2018-06-29 - 2025-12-14	Governance	~	5/5	\$ -	\$ 1,650	\$ 1,650	\$ 1,509
Stanley Lazar	2017-04-12 -	The CEO is not a member of any specific Committee		5/5	The CEO does not receive separate remuneration for duties as a Board member			
Micah Melnyk	2018-06-29 - 2025-12-14	Audit and Risk	2/2	4/5	\$ -	\$ 1,375	\$ 1,375	\$ 1,032
Kevin Stringer	2022-11-01 - 2026-10-31	Audit and Risk	2/2	5/5	\$ 2,500	\$ 1,800	\$ 4,300	\$ 1,354

Senior Leadership Team (SLT)



The SLT consists of the President and CEO, five Vice-Presidents and one Director. Members of the SLT conduct themselves according to FPMC's Code of Conduct and Conflict of Interest policies as well as ethical standards of business and professional and personal conduct. Information about the SLT is available on the Corporation's website at <https://www.freshwaterfish.com/leadership/>.

All SLT members, except for the President and CEO, are remunerated within the Corporation's approved salary ranges and compensation policies. The Governor in Council establishes the President and CEO's compensation. The base salary range for the President and CEO is based on the most recent salary ranges and performance pay for Governor in Council CEO-2 appointees of Crown Corporations. With respect to the CEO, performance pay can range from 0% to 15%. For Vice-Presidents and Plant Operations Director performance pay can range from 0% to 10%.

Appendix 3 - Financial statements

Annual Statement of Comprehensive Income

FRESHWATER FISH MARKETING CORPORATION Annual Statement of Comprehensive Income (Loss) ('000's)	Forecast FY 2024/2025 1/May/2024 30/Apr/2025	Budget FY 2025/2026 1/May/2025 30/Apr/2026	Plan FY 2026/2027 1/May/2026 30/Apr/2027	Plan FY 2027/2028 1/May/2027 29/Apr/2028	Plan FY 2028/2029 30/Apr/2028 30/Apr/2029	Plan FY 2029/2030 1/May/2029 30/Apr/2030
Delivered weight to customers (Kgs.)	5,388	5,357	5,625	5,738	5,853	5,853
Revenue	\$ 70,399	\$ 66,185	\$ 70,884	\$ 72,302	\$ 73,748	\$ 73,748
Cost of Sales						
Opening inventory of processed fish products	19,698	21,138	23,469	24,178	24,711	24,953
Fish purchases	30,265	31,206	30,894	30,585	30,279	30,279
Plant operating expenses	31,839	32,533	31,564	31,248	30,935	30,626
Depreciation of production assets	1,759	1,728	1,728	1,728	1,728	1,728
	83,561	86,605	87,654	87,739	87,653	87,586
Less ending inventory of processed fish products, net of write downs	(21,138)	(23,469)	(23,000)	(23,230)	(23,276)	(23,043)
	62,423	63,136	64,655	64,509	64,377	64,543
Gross profit on operations	7,976	3,049	6,229	7,793	9,371	9,205
Marketing and administrative expenses						
Salaries and benefits	3,501	3,672	3,599	3,599	3,599	3,599
Agent commissions, advertising and promotions	1,718	1,706	1,706	1,706	1,706	1,706
Other administrative costs	1,763	1,752	1,752	1,752	1,752	1,752
Finance costs	1,455	1,800	1,440	1,368	1,300	1,235
	8,437	8,930	8,497	8,425	8,356	8,291
Other income and expenses	576	84	84	84	84	84
	9,013	9,014	8,581	8,509	8,440	8,375
Profit before provision for final payment and income tax	(1,037)	(5,965)	(2,351)	(716)	931	830
Provision for final payment	-	-	-	-	-	-
Income tax expense (recovery)	512	-	-	-	-	-
	512	-	-	-	-	-
Total comprehensive income (loss)	\$ (1,549)	\$ (5,965)	\$ (2,351)	\$ (716)	\$ 931	\$ 830

Annual Statement of Financial Position

FRESHWATER FISH MARKETING CORPORATION

Annual Statement of Financial Position

('000's)

ASSETS

Current

	Forecast	Budget	Plan	Plan	Plan	Plan
	FY 2024/2025	FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030
	30/Apr/2025	30/Apr/2026	30/Apr/2027	30/Apr/2028	30/Apr/2029	30/Apr/2030
Cash	1,500	1,500	1,500	1,500	1,500	1,500
Accounts receivable	10,330	10,084	8,506	8,676	8,850	8,850
Income taxes receivable	374	374	374	374	374	374
Inventory	22,838	25,169	24,700	24,930	24,976	24,743
Prepaid expenses	231	231	231	231	231	231
	<u>35,273</u>	<u>37,358</u>	<u>35,311</u>	<u>35,711</u>	<u>35,931</u>	<u>35,698</u>

Non-current

Property, plant and equipment	16,500	17,288	18,288	19,288	20,288	21,288
Intangible assets	-	-	-	-	-	-
Deferred Income Tax	-	-	-	-	-	-
	<u>16,500</u>	<u>17,288</u>	<u>18,288</u>	<u>19,288</u>	<u>20,288</u>	<u>21,288</u>

Total Assets

	<u>51,773</u>	<u>54,646</u>	<u>53,599</u>	<u>54,999</u>	<u>56,219</u>	<u>56,986</u>
--	---------------	---------------	---------------	---------------	---------------	---------------

LIABILITIES AND EQUITY

Current

Accounts payable and accrued liabilities	4,000	5,040	5,000	5,250	5,500	5,750
Accrued obligation for employee benefits	690	690	579	579	579	579
Income taxes payable	-	-	-	-	-	-
Provision for final payment to fishers	-	-	-	-	-	-
Term Loan	6,430	5,497	4,564	3,631	2,698	1,765
Working Capital Loan	33,085	41,816	42,767	45,566	46,538	47,159
Provision for environmental liability	-	-	-	-	-	-
Derivative-related liabilities	211	211	-	-	-	-
	<u>44,416</u>	<u>53,254</u>	<u>52,910</u>	<u>55,026</u>	<u>55,315</u>	<u>55,253</u>

Non-current

Deferred tax liabilities	-	-	1,648	1,648	1,648	1,648
Accrued obligation for employee benefits	105	105	105	105	105	105
	<u>105</u>	<u>105</u>	<u>1,753</u>	<u>1,753</u>	<u>1,753</u>	<u>1,753</u>

Equity

Retained earnings	<u>7,252</u>	<u>1,287</u>	<u>(1,064)</u>	<u>(1,780)</u>	<u>(849)</u>	<u>(19)</u>
-------------------	--------------	--------------	----------------	----------------	--------------	-------------

Total Liabilities and Equity

	<u>51,773</u>	<u>54,646</u>	<u>53,599</u>	<u>54,999</u>	<u>56,219</u>	<u>56,986</u>
--	---------------	---------------	---------------	---------------	---------------	---------------

Annual Statement of Cash Flow

FRESHWATER FISH MARKETING CORPORATION Annual Statement of Cash Flows ('000's)

	Forecast FY 2024/2025 1/May/2025 30/Apr/2026	Budget FY 2025/2026 1/May/2025 30/Apr/2026	Plan FY 2026/2027 1/May/2026 30/Apr/2027	Plan FY 2027/2028 1/May/2027 29/Apr/2028	Plan FY 2028/2029 30/Apr/2028 30/Apr/2029	Plan FY 2029/2030 1/May/2029 30/Apr/2030
Operating activities						
Comprehensive income (loss) for the year	(1,549)	(5,965)	(1,695)	(1,997)	(1,100)	(839)
Add (deduct) items not affecting cash:						
Future tax expense (recovery)	-	-	-	-	-	-
Depreciation and amortization	1,844	1,812	1,837	1,862	1,887	1,912
Fixed asset retirements	-	-	-	-	-	-
Gain on disposal of property, plant and equipment	-	-	-	-	-	-
Write-down of inventory	500	350	350	350	350	350
Increase (decrease) in net derivative-related liabilities	-	-	-	-	-	-
Increase (decrease) in provision for final payment to fishers	-	-	-	-	-	-
Increase in provision for environmental liability	-	-	-	-	-	-
Impairment of Assets	-	-	-	-	-	-
Net changes in non-cash working capital:	-	-	-	-	-	-
Decrease (increase) in accounts receivable	334	246	1,578	(170)	(174)	-
Decrease (increase) in inventories	(1,887)	(2,681)	119	(580)	(396)	(117)
Decrease (increase) in prepaid expenses	(193)	-	-	-	-	-
Increase (decrease) in accounts payable and accrued liabilities	(1,738)	1,040	(40)	250	250	250
Increase (decrease) in income taxes receivable/payable	512	-	-	-	-	-
Decrease in provision for environmental liability	-	-	-	-	-	-
Increase (decrease) in obligation for employee benefits	-	-	(211)	-	-	-
Cash provided by (used in) operating activities	(2,177)	(5,198)	1,938	(285)	817	1,556
Investing activities						
Additions to property, plant and equipment and intangible assets	(3,448)	(2,600)	(2,837)	(2,862)	(2,887)	(2,912)
Proceeds on disposal of property, plant and equipment	-	-	-	-	-	-
Cash used in investing activities	(3,448)	(2,600)	(2,837)	(2,862)	(2,887)	(2,912)
Financing activities						
Loans payable issued	6,443	8,731	951	2,799	972	620
Repayment of loans	(936)	(933)	(933)	(933)	(933)	(933)
Cash provided by (used in) financing activities	5,507	7,798	18	1,866	39	(313)
Increase (decrease) in cash during the year	(118)	0	(881)	(1,281)	(2,031)	(1,669)
Cash at the beginning of the year	1,618	1,500	1,500	1,500	1,500	1,500
Cash at the end of the year	1,500	1,500	619	219	(531)	(169)

Refocusing Government spending

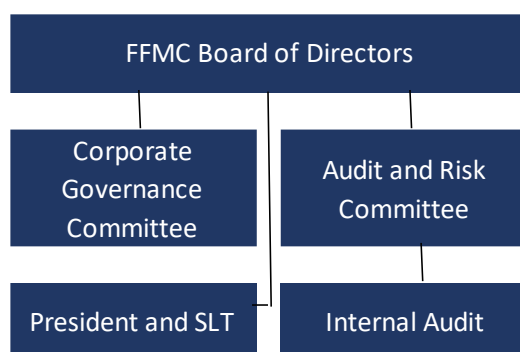
As announced in Budget 2023, Crown corporations were requested to refocus spending on priority areas by reducing planned growth in administrative expenses. The government's request was to reduce administration expenses by at least 3% by FY2027/28, with the reductions being phased in over the next three years. Budget 2023 also requested reductions in planned spending related to professional services and travel of 5% in FY2024/25 and 15% in FY2025/26. FFMC remains committed to meeting the reduction requirements outlined in the 2023 Federal Budget. The following table summarizes the fiscal savings by year committed to by the Corporation.

FFMC Refocusing Government Spending Commitments	FY2024/25	FY2025/26	FY2026/27	FY2027/28
Annual commitment of Administrative Expenses reduction by category				
Travel and hospitality	-\$ 19,500	-\$ 20,300	-\$ 22,400	-\$ 23,000
Training and Development	-\$ 5,600	-\$ 7,500	-\$ 9,900	-\$ 10,200
New Product Development	\$ -	-\$ 12,000	-\$ 14,500	-\$ 13,500
Office supplies	-\$ 9,800	-\$ 9,900	-\$ 10,200	-\$ 10,400
Wages for temporary employees- Finance and Field Operations	-\$ 16,500	-\$ 17,200	-\$ 33,800	-\$ 33,900
Professional fees - Internal audit, legal, management consulting, payroll, recruitme	-\$ 9,400	-\$ 11,900	-\$ 21,750	-\$ 21,750
IT/system support costs	\$ -	-\$ 15,400	-\$ 22,700	-\$ 23,000
Total Committed Annual Administrative Expense Reduction	-\$ 60,800	-\$ 94,200	-\$ 135,250	-\$ 135,750

Appendix 4 – Risk and risk responses

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Audit and Risk Committee assists the Board of Directors and is responsible for: review, approval, and monitoring of the Corporation's risk management policies, including the development of a risk management program which involves establishing corporate risk tolerance; identifying and measuring the impact of various risks; and developing risk management action plans to mitigate risks that exceed corporate risk tolerance. The Audit and Risk Committee regularly reports to the Board of Directors on its activities.

Under the guidance of the Board of Directors and the Audit and Risk Committee, FFMC relies on effective leadership and engaged employees utilizing effective business tools and stakeholder engagement to ensure the disciplined execution of initiatives. It focuses on the identification and management of the key risks that could impact the achievement of FFMC's strategic objectives. As part of its oversight process, the Audit and Risk Committee of the Board of Directors reviews Freshwater's risk profile on a quarterly basis and actively contributes to the risk management process. FFMC's risk management framework and practice are consistent with guidance issued by Treasury Board and are subject to review by internal audit. A register of risks is maintained and updated regularly; it evolves as new risks are identified and existing ones are mitigated.



Risks are identified with the assistance of external consultants through a thorough analysis of FFMC's environment. Any existing mitigation to help reduce the likelihood or impact of the risk is considered and additional mitigation is identified where practicable for each risk. The risks and categories identified are not static and are reviewed regularly by the ARC. The review may identify new risks, may determine that risks have decreased through sufficient mitigation to reduce their likelihood or impact, or may determine that the risk level has increased due to changes in the environment. The ARC monitors management's progress on implementing the mitigation plans for each risk. The ARC retains an external consultant to perform internal audits and report on management's progress on risk mitigation plans.

Appendix 5 – Compliance with legislative and policy requirements

FFMC is governed by the *Freshwater Fish Marketing Act*. FFMC is also subject to other federal legislation. FFMC complies with Treasury Board policies, Governor in Council directives, ministerial directives, and other federal, provincial, and municipal legislation such as land titles, individual property, environmental protection, food safety, and occupational health and safety legislation. The following illustrates FFMC's efforts to comply with legislation and directives to which it is subject.

Access to Information Act

FFMC processes requests received under the *Access to Information Act*. FFMC posts summaries of all ATIP records released on its website at <https://www.freshwaterfish.com/reports/>. The public may make an access request in writing, by calling, or by emailing the FFMC ATIP co-ordinator at ATIP@freshwaterfish.com.

Employment Equity Act

FFMC is committed to building a workforce that reflects the diversity of the Canadian workforce. FFMC maintains policies to ensure equitable employment opportunities are provided to all applicants. Our staffing policy ensures that recruitment and selection rules and tools are non-discriminatory and that applications are reviewed and evaluated based on objective and established criteria. FFMC is an inclusive workplace that strives to attract, hire, and retain talent from diverse backgrounds.

Conflict of Interest Act

FFMC ensures that Directors annually review and affirm their commitment to and compliance with the *Conflict-of-Interest Act*, the Guidelines for Public Office Holders, and the *Freshwater Fish Marketing Act*, as well as FFMC's Code of Conduct policy through a formal process by providing conflict of interest declarations to Members.

Canadian Human Rights Act

FFMC conducts itself and provides experiences to its employees consistent with the expectations as set out in the *Canadian Human Rights Act*. FFMC has applicable policies such as a Code of Conduct, and policies pertaining to staffing, salary administration, violence in the workplace, harassment, and discrimination. FFMC also provides employees with a confidential means for disclosure through its Code of Conduct policy. FFMC's staffing and recruitment policies consider equal opportunity initiatives for women, Indigenous peoples, and underrepresented groups.

Official Languages Act

FFMC strives to meet its commitments and obligations under the *Official Languages Act* and endeavours to balance its mandate of operating on a financially self-sustaining basis with spending requirements for bilingualism and compliance with Parts IV, V, VI and VII of the legislation.

Trade agreements

Trade agreements continue to provide potential export opportunities for FFMC. FFMC supports the key principles that underpin the spirit of applicable trade agreements. Corporate processes and policies support FFMC's ongoing obligation to ensure compliance with applicable trade agreements including the Comprehensive Economic Trade Agreement (CETA), the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and the Canada-United States-Mexico Agreement (CUSMA).

Canada Labour Code Part II and the Canada Occupational Health and Safety Regulations

FFMC is committed to providing a safe and healthy work environment for its employees. FFMC has a health and safety policy and comprehensive health and safety programs to identify, assess and control workplace hazards. These safety programs and practices are developed with the participation of the joint health and safety committee, management, and employees.

Pay Equity Act

The overwhelming majority of FFMC's employees are represented by collective agreements that incorporate pay equity legislation. FFMC's collective agreements comply with pay equity legislation. For FFMC's non-represented employees, compensation structure, job analysis and job descriptions include pay equity legislation and GBA+ considerations. Compliance with pay equity legislation for non-represented employees will be completed by July 2025.

Government procurement obligations under trade agreements

FFMC maintains a corporate procurement policy to provide the Corporation with a flexible management framework that promotes the efficient, effective, open, fair, ethical, and transparent acquisition of goods and services while supporting its mandate and operational requirements.

Accessible Canada Act (ACA)

The *Accessible Canada Act* which aims to make Canada a barrier-free country by January 1, 2040, came into force in July 2019. The goal of *the ACA* is to proactively identify, remove, and prevent barriers in seven priority areas: employment, the built environment, information and communication technologies, communication other than information and communication technologies, procurement of goods, services, and facilities, the design and delivery of programs and services, and transportation. Under the *ACA*, FFMC reports to the public on the Corporation's policies and practices in relation to the identification and removal of barriers by publishing our Accessibility Plans, feedback processes and progress reports on our website. FFMC has established a process for receiving and dealing with feedback regarding the implementation of its Accessibility Plan. FFMC regularly monitors and evaluates feedback to incorporate into future Plans where possible.

Appendix 6 – Government priorities and direction

This appendix describes how FFMC's priorities and activities align with government-wide priorities and highlights notable activities in key areas. Government-wide priorities are outlined in the Speech from the Throne and the Budget Plan. FFMC contributes to government-wide priorities in the following ways:

Transparent and open government

FFMC is accountable and transparent to its shareholder and its stakeholders. The corporation adheres to legislative requirements regarding transparency and practises proactive disclosure of information on an ongoing basis. FFMC publishes on its website all annual and quarterly financial reports as well as the proactive disclosure of travel and hospitality expenses of Board members and the Senior Leadership Team. Detailed information is available on our website.

Access to information

As a federal Crown corporation, FFMC is subject to the *Access to Information Act (ATIA)*. The *ATIA* creates an enforceable right of access to records under the control of a government entity in accordance with the principle that government information should be available to the public. By providing access to government information, the *ATIA* serves the important public interest of enabling public debate on the conduct of government institutions, strengthening the accountability of government to its citizens.

Privacy

Privacy is of vital importance to Canadians and controlling the collection, use and disclosure of personal information has become a pressing issue. FFMC is subject to the *Privacy Act*, which is administered by the Office of the Privacy Commissioner of Canada. Under the *Privacy Act*, FFMC must limit the collection, use and disclosure of personal information, provide appropriate security to guard against a loss or misuse of data and provide individuals with a right of access to the personal information that FFMC holds about them. Concerns or complaints about FFMC's privacy practices or its compliance with the *Privacy Act* can be escalated to the federal government's Privacy Commissioner, who acts as an independent authority to resolve privacy problems and oversee compliance with the *Privacy Act*.

Info Source

FFMC, along with all government institutions, is subject to the *Access to Information Act* and the *Privacy Act*. FFMC publishes an inventory of its information holdings as well as relevant details about personal information under its control. The Info Source inventory can assist the public in making an access to information or personal information request, or in exercising their privacy rights.

Code of Conduct and Ethics

Fairness, respect, and integrity are core values for FFMC. FFMC's Code of Conduct guides how employees operate and sets out the process to report violations of this code.

Access to fish harvesters and Canadians

FFMC holds an annual public meeting to share financial and operational results as well as information on the future of the Corporation. The meeting is open and accessible to the public annually in November or December. FFMC continues to develop a strong network in the Canadian inland fishery. Regular fish harvester meetings are held with agents, co-operatives, and fish harvesters to share information and develop stronger working relationships. Through e-mail distribution and FFMC's website, information is shared with fish harvesters that deliver fish to the Corporation.

Gender-based analysis plus

FFMC uses and considers GBA+ when developing policies, practices and negotiating collective agreements. Collective bargaining agreements for represented employees address gender-based biases and wage equality. Approximately 35% of FFMC employees identify as women and are paid equal wages. 50% of FFMC employees have recently immigrated to Canada bringing a diversity of cultural backgrounds. FFMC is committed to supporting a workforce that reflects the diversity of Canada's population. This includes continuously reviewing and revising FFMC policies, practices, and behaviours to ensure the Corporation does not discriminate against individuals or groups and operates with inclusiveness. During its annual reviews of corporate policies, GBA+ data is reviewed to ensure compliance.

Diversity and employment equity

Diversity means a rich pool of backgrounds, abilities, strengths, and schools of thought working together. As a federal Crown corporation, FFMC is committed to building a workforce that reflects the diversity of its industry and of the Canadian workforce. FFMC is a welcoming and inclusive workplace that attracts and retains talent from diverse backgrounds. FFMC's diversity strategy supports the Government of Canada's commitment to diversity, and FFMC is working toward having a workforce that reflects the diversity of the industry and communities our employees work in. FFMC's Board of Directors has two Directors who self-declare as Indigenous.

In terms of FFMC's broader diversity, our workforce includes 35% women, 12% Indigenous Peoples, 2% people with disabilities and 38% from underrepresented groups.

Sustainable development and greening government operations

Wastewater treatment (WWT):

FFMC invested in a Heron "Suspended Air Flotation" (SAF) wastewater pretreatment system which was commissioned and operational in April 2024. This pretreatment system has effectively reduced our overstrength emissions for oil/grease, total Phosphate, total Nitrogen, total suspended solids (TSS) and biological oxygen demand (BOD) in our wastewater sent to the City of Winnipeg for further treatment; meeting the City's acceptable bylaw limits for these nutrients. The watery sludge generated from this pretreatment system is currently being hauled in a tanker to the city for proper disposal and further treatment as required. FFMC continues to research further sustainable solutions for this WWT sludge waste such as composting, biogas, or field application. All options will require capital investment into a secondary process to concentrate the sludge for hauling and further conversion.

Fish by-product waste treatment/disposal:

The fish processing operation at FFMC generates approximately 2.5 million Kgs of fish by-product waste annually which is currently going to a landfill site. Several environmentally sustainable options have been simultaneously discussed and/or tested for long term viability. These include, petfood, composting and biogas options.

The petfood industry is rapidly moving towards eco-certified raw material due to customer demand. FFMC's current petfood sales are limited to small quantities at low prices. The Corporation is actively seeking additional markets for pet food sales.

A successful 7.5 month long composting pilot was completed in August 2023 with Overton Environmental Enterprise (OEE). Conversations have continued with the new owner of OEE, Catapult Environmental (CE), for composting at their Portage la Prairie location. CE has applied to the Province of Manitoba for a Notice of Alteration and invested capital in a gore cover system to reduce odours. Consideration for the cost of hauling and tipping fees will weigh into future decisions for composting.

Anaerobic digestion of by-product fish waste continues to be a viable option, however, discussions with the foreign investor from France, TotalEnergies (TE), have stalled. TE has tentatively locked in their protein sources (pork, fish),

but have struggled to secure a large enough carbon source for operations. With the original goal of being operational in 2026, a final investment decision has not yet been made and has delayed progress.

In July 2024, FFMC signed the Great Lakes St. Lawrence Governors & Premiers (GSGP) 100% Great Lakes Fish Pledge. Along with over 30 pledge signers in the industry, the Corporation committed to using 100% of the fish it processes from Lake Superior by the end of 2025, including for purposes beyond food (e.g., medical products, nutritional supplements, fish leather). Pledge signers are collectively working together to find these sustainable solutions.

Other waste – cardboard, paper, hazard waste.

All cardboard and paper waste continues to be recycled. Hazardous wastes (e.g., batteries, oil, lights) are stored in a locked cage and disposed of by a contractor licensed to handle hazardous waste.

Fish stock preservation: Eco-certification of lakes:

FFMC obtained a Chain of Custody certificate in 2023 under the Marine Stewardship Council and is certified to process and sell eco-certified fish. Currently, Manitoba has two eco-certified lakes, Waterhen Lake and Cedar Lake. FFMC continues to support fishers and the Government of Manitoba as they work to enter Fisheries Improvement Projects towards eco-certification for Lake Winnipeg, Lake Manitoba, and Lake Winnipegosis.

Environmental and Social Governance Reporting

As a Crown corporation concerned about the future of freshwater fish stocks, FFMC understands the crucial role it plays in contributing to a viable fishing industry in Canada. FFMC is developing an environmental, social and governance (ESG) strategy to guide our contributions to the social and environmental issues facing Canada and the world. As part of ESG governance, FFMC's Board of Directors is providing oversight on ESG and climate strategies, performance, and disclosures. Following the policy direction included in the 2022-2023 federal budget, FFMC will implement climate related disclosures, written to the recommendations of the Financial Stability Board's Task Force on Climate Related Financial Disclosures (TCFD) framework. In supporting the TCFD, FFMC will provide information about climate governance, risk management, strategy, metrics, and targets to measure our accountability for climate action, starting with reporting on our fiscal year 2024-2025.

Indigenous issues – consultations

Consultations with Indigenous peoples are occurring due to FFMC's action to divest of its assets in Hay River, NWT. Supporting the social and economic inclusion of Indigenous peoples is a priority for the Corporation. FFMC's role in fostering the inland Canadian fishery includes ensuring that Indigenous communities and peoples have greater access to opportunities. Commercial fishing is often one of the few primary economic opportunities available to residents in the many remote and northern communities the Corporation serves. In many communities where Freshwater operates delivery points, the fishery is the only opportunity for economic development. FFMC's presence fosters independent business ownership and increases employment in rural and remote regions of Canada.

Safe and respectful workplaces

As a federal employer, FFMC has an obligation to provide a workplace that is civil, respectful, and free of harassment. FFMC is committed to providing a harassment-free workplace and endeavours to provide a work environment that is supportive of the dignity and self-esteem of every person. FFMC is also committed to providing a violence-free workplace where any act of violence is unacceptable and will not be tolerated.

Factors that may contribute to violence or harassment in the workplace that FFMC is made aware of or that are reported are dealt with or investigated. Any deliberate acts of violence and harassment in the workplace by an employee is subject to discipline.

FFMC maintains a workplace violence prevention and respectful workplace policy to ensure that employees and management understand that disciplinary action will occur for those who commit or contribute to workplace violence or harassment. Those employees subjected to violence or harassment in the workplace understand there are procedures for recourse and that assistance and counselling is available. Employees and management

understand that everyone has a responsibility to report factors that may contribute to violence or harassment in the workplace and that all incidents of workplace violence and harassment must be reported.

FFMC is committed to resolving workplace violence and harassment situations to the best of our ability and, if they cannot be resolved, having a third party investigate to arrive at conclusions and recommendations for corrective action. FFMC is also committed to using the required resources to prevent and to respond to incidents of workplace violence and harassment and communicating to employees any factors contributing to workplace violence and harassment. FFMC provides support for employees affected by workplace violence and harassment and does what is practical to achieve a violence-free and harassment-free workplace.

Ethical and sustainable supply chains

FFMC is committed to upholding human rights and international labour standards. FFMC has policies that ensure goods produced by forced labour do not enter Canada and that operations are not contributing to human rights abuses. FFMC has set standards and norms that suppliers and sub-contractors of goods and services apply the highest ethical and sustainability standards across their supply chains.

Directive on Travel, Hospitality, Conference and Event Expenditures (DTHCEE)

Freshwater complies with the current DTHCEE and ensures compliance with Bill C-58 requirements, including the proactive disclosure of appropriate travel and hospitality expenses monthly. Controls include guidance and focused training, as well as oversight activities during the processing of claims.

Actual and projected travel and hospitality expenditures are in the following table:

TRAVEL AND HOSPITALITY	FY 2024/25 Plan	FY 2024/25 Forecast	FY 2025/26 Budget	FY 2026/27 Plan	FY 2027/28 Plan	FY 2028/29 Plan	FY 2029/30 Plan
Travel	300,000	370,020	360,000	340,000	320,000	300,000	300,000
Hospitality	20,000	19,980	20,000	20,000	20,000	20,000	20,000
Total Travel and Hospitality	320,000	390,000	380,000	360,000	340,000	320,000	320,000

Freshwater's travel expenditures involve supporting relationships with customers and fish harvesters. FFMC continues to ensure that travel, hospitality, conference, and event expenditures are prudently managed with probity and represent the most economic and efficient use of funds given the nature of the activity in relation to the achievement of its mandate.

