



Forced Labour in Canadian Supply Chains

May 28, 2025

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Introduction

This report is Humber River Health's ("HRH") response to comply with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") for the financial year ending March 31, 2025. The reporting entity covered by this statement is Humber River Health, business number 872785191.

For the purposes of the Act, HRH meets the entity definition by having a business in Canada, doing business in Canada and also meets the threshold for revenue, assets, and employees. HRH is incorporated provincially, under the Corporations Act (Ontario), is a charitable organization registered under the Income Tax Act (Canada) and is obligated to submit a report to the Minister of Public Safety and provide a public report in response the Supply Chains Act by May 31, 2025.

HRH is committed to providing a workplace environment where its core values of compassion, professionalism and respect are embraced and consistently guide its actions. Forced labour and child labour is contrary to the HRH vision, mission, and values. HRH does not endorse any human trafficking or modern slavery within its organization or among its vendors and contractors or sub-contractors.

In FY24-25, HRH implemented a comprehensive compliance program in response to Bill S-211. Key actions included vendor outreach, country-of-origin tracking, policy and contract updates, staff training, performance monitoring, and engagement with supply chain partners to address risks related to forced and child labour, which will be highlighted in the subsequent sections.

HRH is committed to continuous improvement in the areas of identification and remediation of forced and child labour in its operations and supply chain and committed to respecting all human rights in accordance with applicable law.

1. Structure, Activities and Supply Chain

HRH is one of Canada's largest acute care hospitals and is North America's first digital hospital, operating 729 acute inpatient beds with 4,000 staff and more than 500 volunteers, who leverage technology and innovation to serve a diverse catchment area of more than 850,000 people in Northwestern Toronto.

HRH is the merged facility of three (3) previous hospitals: Humber Memorial Hospital, York-Finch Hospital and Northwestern General Hospital, located in Toronto, Ontario, Canada. These three (3) hospitals were part of the Humber River Regional Hospital network. Over time, HRH has expanded services from those provided at the hospital to include the Schulich Family Medicine Teaching Unit, a Research Institute, as well as the Finch and Church Campuses with 483 beds.

HRH continues to grow partnerships, programs and collaborations with healthcare service providers in the Jane and Finch community, including with the Northwestern Toronto Ontario Health Team to establish Community Services to convert six (6) residential homes in the Jane and Finch area into supporting housing units.

HRH is affiliated with the University of Toronto and Queen's University and is a member of the Toronto Academic Health Science Network (TAHSN), a network of academic health organizations providing leading-edge research, teaching and clinical care.

The Hospital's approach to healthcare has enabled it to become a national and provincial leader, with a history of many firsts. HRH is recognized globally for leveraging technology to deliver high quality care. HRH uses a custom combination

of technology and clinical expertise to rebuild elements of care, making technology work for staff and physicians, giving them more time to spend with patients. HRH is proud to be an incubator for innovation.

HRH is guided by its mission “Working together with our community to deliver innovative, safe and equitable healthcare” and is committed to advancing the empowerment of people and patients, fostering innovation, research, and academics, and delivering comprehensive quality care.

Structure and Activities

The Supply Chain function is overseen by the Senior Director, with dedicated roles for Procurement, Logistics, and Contracts. Staff such as Buyers, Analysts, and Supervisors are formally assigned compliance duties, including vendor verification and purchase validations.

The North American Industry Classification System (NAICS) Canada 2022 Version 1.0 and The Global Industry Classification Standard (GICS), a global classification standard developed by MSCI in collaboration with S&P Dow Jones Indices, were used to classify the sectors within HRH’s supply chain and related activities.

Sectors within HRH’s supply chain include:

(NAICS): (62) Healthcare and social assistance, (622) Hospitals, (54) Professional, scientific, and technical services. (541) Professional, scientific, and technical services, (53) Real estate and rental and leasing and (532) Rental and leasing services and (44-45) Retail trade.

(GICS) Sector, Industry Group and sub-industries:

- (35) Healthcare, (3510) Healthcare equipment and services, (351010) Healthcare equipment and services, (351020) Healthcare providers and services, (351030) Healthcare technology (3520) Pharmaceuticals, biotechnology, and services (352010) Biotechnology. (352020) Pharmaceuticals. (352030) Life Sciences tools and services
- (60) Real Estate, (6010) Real estate and (601020) Real estate management and development
- (25) Consumer Discretionary, (2550) Retailing, (255040) Specialty Retail
- (30) Consumer Staples, (3010) Food & Staples Retailing, (30101010) Drug Retail, (30101030) Food Retail, (3020) Food, Beverage and Tobacco (302010) Beverages and (302020) Food Products.

HRH’s supply chain includes over 500 vendors across more than 30 countries, supporting both its hospital operations and retail leasing activities.

Hospital Operations

HRH is a broader public sector organization subject to the Broader Public Sector Accountability Act and the Directives designed to improve accountability and transparency, including in the procurement of goods and services.

HRH’s hospital operations supply chain encompasses various areas to ensure prompt delivery of all healthcare services. It starts with procurement, where HRH purchases, consigns, or leases equipment, products, supplies, pharmaceuticals and/or services for each department and upon request to support patient care.

HRH’s Just-in-Time (JIT) procurement model, primarily used with Cardinal Health and Medline, ensures real-time purchase order (“PO”) creation, scanning controls, and integration with Meditech for accurate tracking. Country-of-origin data is logged for all products in the JIT system.

HRH has inventory management (W-stores) that ensure the availability of essential items while improving the efficiency of labour and minimizing downtime and waste. For office spaces, HRH has multi-functional devices, mailing machines and technology infrastructure requiring leasing arrangements as well.

HRH directly sells special nutritional goods to patients and medical devices are sold corporately within the hospital.

To support hospital operations, HRH contracts with group purchasing organizations used by hospitals and community-based healthcare facilities and directly procures and sources goods and services from international, national, and local manufacturers, distributors, and vendors with the use of customs clearing houses to facilitate the cross-border transactions.

Retail Operations

HRH also leases retail space for its food court, pharmacies, and retail shops. These vendors sell over-the-counter goods directly to patients, visitors, physicians, volunteers and hospital staff.

HRH also has a unique partnership arrangement through the Reactivation Care Centers (RCC) with multiple hospitals where HRH supplies the product and core services to support the other partner hospitals in providing care to their patients.

Each area of the supply chain plays an important role in facilitating the flow of goods and services. These spaces are maximized for visibility and contribute to the overall needs of the consumers and success of each retail business. Market understanding and active leasing is essential for meeting our customer demands and needs.

These comprise all our healthcare supply chain activities which are vital to the delivery of quality healthcare services economically and effectively.

2. Policies and Processes in Relation to Forced and Child Labour

HRH maintains a hospital-wide Purchasing Policy, Supply Chain Code of Ethics, and a hospital-wide Code of Conduct in which all persons are expected to comply in the workplace and all suppliers are expected to abide by. All employees involved in procurement or supply chain operations are expected to act in an ethical and professional manner and with integrity. Honesty and due diligence are an integral part of the supply chain activities whether internal or external. Furthermore, HRH has regular reviews of human resource related policies to ensure it remains in compliance with applicable workforce and labour legislation. Regarding its operations, HRH adheres to the provincial employment standards in Ontario such as the Employment Standards Act, Ontario Human Rights Code, Workplace Safety and Insurance Act and the Occupational Health and Safety Act.

In the reporting period, HRH undertook a comprehensive review and implemented a series of measures to strengthen compliance with Bill S-211:

1. Vendor Outreach: Sent communications to vendors requesting their compliance status with Bill S-211 and any known ties to non-compliant manufacturers.
2. Country-of-Origin Data Collection: Assigned procurement staff to collect manufacturer country-of-origin information for all procured goods and medical devices.
3. Policy Updates: Revised policies and procedures to:
 - o Include annual staff training.

- Update product description forms to capture manufacturer origin.
4. Training: Developed and implemented an annual training package for staff involved in procurement.
 5. Risk Management: Utilized past gap analysis to identify and act on supply chain risks and opportunities.
 6. Remediation Measures: Engaged in ongoing efforts to address and remediate potential impacts of forced or child labour.
 7. Performance Tracking: Enhanced procedures to track effectiveness in addressing forced and child labour in the supply chain.
 8. Annual Audits: Conducted audits including:
 - Policy and procedure reviews.
 - Performance metrics such as employee awareness and contract compliance.
 9. Stakeholder Engagement: Collaborated with key supply chain partners to address forced and child labour issues.

Hospital-wide Purchasing Policy

HRH's Procurement Department is responsible for the purchasing of all supplies, services and equipment required and acquired through Hospital funds. The Hospital-wide Purchasing Policy was developed to provide clear rules regarding the competitive bidding requirements for the acquisition of supplies, services and equipment and the authorized signing authority to commit the Hospital. The Policy applies to all contracts and purchases for the acquisition of supplies, services and equipment and all agreements including (but not limited to) pricing agreements, memorandums of understanding, letters of intent, service level agreements (SLAs) and other documents that commit the Hospital. All procurement procedures have been updated as per Hospital Wide Purchasing Policy, which now incorporates compliance requirements under S-211, Act C-9, and the Building Ontario Businesses Initiative (BOBI).

HRH's Procurement Department conducts its contracting and procurement services based on the following five (5) key principles of the Ontario Broader Public Sector Procurement directives: Accountability, Transparency, Value for Money, Quality Service Delivery and Process Standardization.

The Finance Department is responsible for all vendor setups in Meditech based on requests from Procurement Department. All new product submissions to Product Review and Standardization Committee (PRSC) must include manufacturer name and country of origin. This data is maintained in Meditech's Item Master to support risk assessments and S-211 compliance. All POs are communicated to vendors through Electronic Data Interchange (EDI), email, fax, and or telephone. Buyers must confirm the manufacturer's country of origin and product details as part of each order confirmation process.

In response to Bill S-211, Procurement & Logistics at HRH will ensure annual staff training, submission of a signed compliance report, collection of country-of-origin data for all products and medical devices, inclusion of compliance language in all procurement contracts and POs, and ongoing due diligence through a self-assessment process.

Supplier Code of Ethics

HRH expects staff in its Procurement and Supply Chain department to sign a Supply Chain Code of Ethics, which applies to all procurement policies and procedures related to their procurement activities.

HRH's Managed Equipment Services Provider (MESP) is contractually obligated to comply with Bill S-211. This includes adding compliance attestations to RFPs and vendor contracts and supporting related annual training efforts.

For this past financial year, HRH's Procurement & Logistics Department reviewed and examined all pertinent policies as it relates to the "Act". As part of our commitment to ensuring an ethical, professional, and accountable supply chain, for the upcoming financial year, HRH has identified a need to revise and implement a Supplier Code of Conduct and supporting Conflict of Interest policies. Additionally, HRH introduced updates to the Request for Proposal template (effective April 2024), to include a section on Compliance with Applicable Laws (refer to "Excerpt - HRH's RFP template") and added a section to Contract templates related to *Service Provider's Representations and Warranties* (refer to "Excerpt - HRH's Service Provider contract template").

Currently, HRH's Procurement & Logistics Department is undertaking an internal assessment to identify if new policies, agreements or amendments to existing agreements will be required for compliance. This comprehensive assessment spans the following contract categories: equipment, services, consumables or extended warranties agreements, affiliation, memorandum of understanding (MOU) agreements, lease agreements and partnership agreements with other hospitals.

1.3 Compliance with Applicable Laws

This RFP is subject to the Canadian Free Trade Agreement signed on July 1, 2017 and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) signed September 21, 2017, which eliminates certain barriers to trade, investment, and labour mobility within Canada and facilitates the free movement of persons, goods, services and investments within Canada.

The successful Proponent shall be required to comply with all laws applicable to purchase and support services in Ontario and the federal laws applicable therein, including but not limited to the Ontario *Occupational Health and Safety Act*, the Ontario *Workplace Safety and Insurance Act*, the Ontario *Human Rights Code*, the Ontario *Pay Equity Act*, the *Personal Health Information Protection Act*, the *Canada Personal Information Protection and Electronic Documents Act*, the *Ontarians with Disabilities Act, 2005* and the *Canada Food and Drugs Act*.

The successful Proponent shall warrant that the goods and services that the proponent is proposing to provide to the HRH are not the result of, and in no way involve, forced labor or child labour (as such terms are defined in Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* -Bill S-211 Act C-9).

(Above: Excerpt - HRH's RFP template)

9.1 Supplier's Representations and Warranties

The Supplier represents and warrants to the Hospital as follows, and acknowledges that the Hospital is relying on such representations and warranties:

- (a) The Supplier has full power and legal right to enter into this Agreement and To fulfill all of its obligations hereunder;
- (b) No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against the Supplier, and the Supplier is able to satisfy its liabilities as they become due;
- (c) Neither the execution and delivery of this Agreement by the Supplier, nor the performance of the Supplier's obligations hereunder, will conflict with, or result in a breach of, or constitute a default under any provision of its incorporating documents or by-laws, any Law, any decree of any court, arbitrator or governmental agency, or any contract, agreement or instrument to which it is a party or subject to, or by which its property is bound or affected;
- (d) There is no proceeding in progress, or pending or threatened against, related to or affecting the Supplier which might be expected to have a materially adverse effect on the Services or impact the Supplier's ability to meet its obligations under this Agreement;
- (e) No authorization, approval or consent of any person is required in connection with the Supplier's execution and delivery of this Agreement and performance of its obligations hereunder;
- (f) The Supplier has the financial capacity to fulfill the terms of this Agreement and has never sought bankruptcy or insolvency protection or had a receiver appointed over its respective assets, has never failed to complete a contractual services/licensing/support agreement to which it was a party because of its lack of financial or human resources, has never been denied credit, has never been in breach of a loan or credit agreement to which it was a party, and has never been denied liability insurance or a business permit; and
- (g) The Supplier has the expertise to perform the Services capably and efficiently.
- (h) The Services and Goods provided by the Service Provider under this agreement are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* - Bill S-211 Act C-9).

(Above: Excerpt - HRH's Service Provider contract template)

Hospital Code of Conduct

To realize HRH's mission, all employees and physicians are required to perform their duties and functions compassionately, impartially, diligently, efficiently with integrity and in a manner that must always bear public scrutiny.

The Hospital Code of Conduct establishes principles that guide the decision of all Hospital employees and vendors and is intended to promote and maintain respect, dignity, compassion, caring, teamwork, communication, professional accountability, and continuous improvement within an inclusive workplace.

As leaders, Management staff, will counsel individuals promptly when their conduct or behaviour is inconsistent with the intent of the Hospital Code of Conduct. All staff, physicians, vendors, and volunteers are responsible to practice the behaviours described in the Code of Conduct and are accountable to report violations when they occur.

Additional Measures

In addition to an ongoing internal review of company policies and contractual relationships with existing organizations in our supply chain, Procurement has also initiated outreach to obtain the following information in writing:

- Vendor attestations on compliance with the Act and current responses with the Act coming into effect,
- Known status of any manufacturers or suppliers that are non-compliant with their own supply chain and
- Country of origin for all goods and products procured by HRH from them.

Once all responses are received from vendors, HRH will conduct a gap analysis to re-assess supply chain risk, supported by an existing supplier risk assessment to further identify any additional risk and opportunities for impact and continuous improvement of the supply chain processes.

HRH is also looking to develop and implement procedures to track relevant performance indicators, such as levels of employee awareness, number of cases reported and number of contracts with anti-forced labour and child labour. Additionally, HRH plans to engage with supply chain partners, civil society groups, experts, and other stakeholders on the issue of addressing forced labour and/or child labour.

3. Identification of Forced and Child Labour Risk

To understand where in the supply chain forced or child labour risks may exist, HRH recently carried out a risk assessment process. This process was guided by insights provided by the Walk Free Global Slavery Index, the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, and by the U.S. Department of Labour's List of Goods Produced by Child Labour or Forced Labour. In conducting our supply chain forced and child labour risk analysis, HRH was able to highlight potential risks of forced or child labour associated with certain goods and certain countries.

This risk identification exercise does not presuppose the actual use of forced or child labour within HRH operations or supply chains, rather, it is aimed at recognizing potential scenarios where such risks might arise, thereby further enabling HRH to implement effective preventative measures. HRH's assessment acknowledges that no industry is entirely exempt from the risks of forced and child labour and there are inherent vulnerabilities within certain sectors of our supply chain, particularly in regions where regulatory frameworks and enforcement mechanisms might not be robust.

HRH's analysis considered specific geographic regions that, according to the Walk Free Global Slavery Index and other credible sources, present a higher risk of forced and child labour practices. This geographic risk assessment, was combined with an assessment of at-risk-goods categories, further enabling HRH to apply a targeted lens to our risk assessment.

Risk Assessment Findings

Through the application of the analysis, HRH identified suppliers with products in the following countries — China, Mexico, Malaysia, Thailand, India, Dominican Republic, Indonesia, Lithuania, Lao PDR, Colombia and Poland — as having a heightened risk of forced or child labour. The exercise was conducted on information that was best available for scrutiny at the time of the assessment, and Humber River Health understands that the proportion of expenditure by country can change as HRH works together with suppliers to gather more information on sourcing for transparency and compliance. Nonetheless, HRH is committed to thoroughly considering these risks and addressing them with the appropriate level of diligence and responsibility. In contrast, 67.8 percent of the identifiable procurement is associated

with countries that have a significantly lower estimated prevalence of forced or child labour. Canada and the United States for instance, together account for 50 percent of the identifiable spend.

HRH also considered the data from the U.S. Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This is an important step in isolating specific goods from our import portfolio that may be susceptible to forced or child labour. By considering this data against the products that HRH imports, it became apparent that some imports from China, India, Mexico, and Malaysia are subject to an elevated risk of being associated with forced or child labour practices. Although the associated spend with these products was 4 percent of the identifiable spend, this is nonetheless a critical insight that will direct attention for enhanced due diligence and analysis.

Overall, the findings from the risk assessment suggest that there is a potential exposure to forced and child labour risks within the supply chain in the context of overall expenditures. As it relates to addressing the specific risk identified, please refer to Section 2 of this report which outlines the improvement efforts by HRH's Procurement & Logistics Department to mitigate this risk and the related efforts to enhance or update applicable policies or procedures impacted.

4. Remediation of Forced and Child Labour

HRH has not identified any instances of child or forced labour in its supply chain or operations and therefore no measures have been taken to remediate forced and child labour in the supply chain.

HRH has taken action to mitigate potential risks of forced and child labour through the deployment of policies and procedures outlined in Section 2. Following ongoing internal assessments of existing policies, procedures, and our supply chain, if further risk is identified, HRH will take measures to address the impact identified on the hospital and to those who may be affected.

5. Remediation of Loss of Income

HRH has not identified any instances of child or forced labour in its supply chain or operations and therefore no measures have been taken to remediate the loss of income to vulnerable families.

Following ongoing internal assessments of existing policies, procedures, and our supply chain, if further risk is identified, HRH will take measures to address the impact identified on the hospital and to those who may be affected.

6. Employee Training

For this last reporting year, no formal training was provided to Procurement staff with respect to Forced Labour and Child Labour as defined in the Act, however Human Resources attended an OHA and BLG webinar related to this issue.

HRH did, however, provide the following training for all procurement staff:

- Application and systems training
- Annual mandatory training (Hospital Code of Conduct, Supply Chain Code of Ethics, anti-stigma training, Bariatric sensitivity training, peer-to-peer effective communication training, prevention of workplace violence and harassment training, worker and health and safety awareness training, corporate support staff safety/de-

escalation training, confidentiality and privacy training, Cybersecurity training, emergency code training, six IPAC training sessions, WHMIS training)

- Functional or role-based training (orientation for new staff (two days), Department Policy and Procedure Manual (PPM) review, role-specific job shadowing, one-on-one training from supervisor (if required) and refresher training when training content was updated, or system or technology upgrades occurred)

HRH uses a Learning Management System (LIME) to deliver training which will record employee attendance and completeness of training that informs HRH's performance review process and staff development.

HRH introduced to the annual mandatory training program in 2024 the Bill S-211 Section C-9 for all employees involved in procurement activities. Going forth, Training will be developed by HRH's Risk Management team and provided to the entire department and will be based on an organizational ethical decision-making framework, Accountability for Reasonableness (A4R), to aid decision makers throughout the organization in setting priorities to reach decisions that are legitimate and fair.

Planned outcomes for this specific training include:

- Improving the knowledge and awareness of ethical decision-making,
- Improving the department's decision-making and procurement's impact and influence in addressing ethical challenges for end users, and
- Driving awareness of the commitment and importance of implementing effective ethical frameworks for nurturing trust, integrity, and responsibility in their role.

HRH reviews all policies and procedures every two years or as standards or applicable laws change, and annually if it involves occupational health and safety parameters.

7. Assessing Effectiveness

HRH has implemented a set of mechanisms to assess the effectiveness of the actions taken to identify, mitigate, and prevent forced labour and child labour risks within its operations and supply chain. These mechanisms were put in place during FY2024–2025 to strengthen compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211).

Key elements of the effectiveness assessment framework include:

- Annual Monitoring and Audits: HRH conducts annual audits of procurement-related policies, procedures, and contract templates to ensure alignment with legislative requirements. These audits assess adherence to updated practices and identify areas for continuous improvement.
- Performance Indicators Tracking: HRH tracks key performance indicators such as:
 - Number of procurement staff trained on forced and child labour regulations;
 - Percentage of vendor contracts containing anti-forced and child labour clauses;
 - Rate of vendor attestation returns;
 - Number of identified supply chain risks requiring follow-up.
- Vendor Compliance Reviews: All vendors are required to complete an annual attestation regarding their compliance with the Act. Vendor responses, including the identification of country-of-origin for products and any links to high-risk jurisdictions, are reviewed and analyzed to inform risk mitigation strategies.

- Training Impact Measurement: Training completion is tracked through the Learning Management System (LIME), which logs attendance. HRH evaluates this data to measure awareness and retention of ethical procurement standards among staff.
- Policy Compliance Verification: HRH conducts annually checks as part of its internal accreditation compliance practices to verify that supply chain-related policies are followed across departments.
- Incident Tracking and Reporting: HRH is implementing procedures to capture and investigate any reported concerns related to forced or child labour. These will inform future remediation and prevention measures.

HRH recognizes that measuring effectiveness is an ongoing process and remains committed to refining its monitoring systems and performance evaluations as new insights and standards evolve. HRH is focused on continuous improvement to ensure transparency, accountability, and integrity in its supply chain.

8. Approval and Attestation of the Report

In accordance with the requirements of the Act, and in particular Section 11, 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 due 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.

Full Name: Barbara Collins

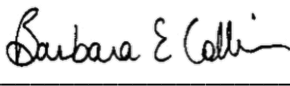
Full Name: Michael Iacovelli

Title: President & CEO

Title: Chair, Board of Directors

Date: May 28, 2025

Date: May 28, 2025

Signature: 

Signature: 

"I have the authority to bind Humber River Health."

"I have the authority to bind Humber River Health."