



THE HOSPITAL FOR  
SICK CHILDREN

Annual Reporting Prepared In Accordance With Bill S-211,  
*An Act to Enact The Fighting Against Forced Labour and  
Child Labour In Supply Chains Act And To Amend The  
Customs Tariff* (the “Act”)

The Hospital for Sick Children

Reporting Period

April 1, 2023, to March 31, 2024



THE HOSPITAL FOR  
SICK CHILDREN

## MEMORANDUM

**TO:** The Board of Trustees of The Hospital for Sick Children

**FROM:** Dr. Ronald Cohn  
President and Chief Executive Officer  
The Hospital for Sick Children

**DATE:** May 28, 2024, for the Reporting Period April 1, 2023, to March 31, 2024

**SUBJECT:** Annual reporting prepared in accordance with Bill S-211, *An Act to Enact The Fighting Against Forced Labour And Child Labour In Supply Chains Act And To Amend The Customs Tariff ("the Act")*

On behalf of The Hospital for Sick Children, in accordance with the requirements of the Act, and in particular Section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

\_\_\_\_\_  
Signature

*I have the authority to bind The Hospital for Sick Children.*

\_\_\_\_\_  
May 28 2024

Date

Dr. Ronald Cohn  
President and Chief Executive Officer  
The Hospital for Sick Children

I certify that this attestation has been approved by the Board of Trustees of The Hospital for Sick Children on May 28, 2024.

\_\_\_\_\_  
Signature

*I have the authority to bind The Hospital for Sick Children.*

\_\_\_\_\_  
May 28 2024

Date

Kathleen Taylor  
Chair, Board of Trustees  
The Hospital for Sick Children



THE HOSPITAL FOR  
SICK CHILDREN

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THE HOSPITAL FOR  
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## Preamble

Bill S-211, *An Act To Enact The Fighting Against Forced Labour and Child Labour In Supply Chains Act And To Amend The Customs Tariff* ("the Act"), came into effect on January 1, 2024, introducing new annual reporting requirements effective May 31 of each year, with the first report due on May 31, 2024. The reporting requirements introduced by the Act intend to increase industry awareness and transparency around forced labour and child labour, while driving organizations to improve practices to prevent or reduce the risk of forced labour and child labour occurring.

The Hospital for Sick Children (the "Hospital") is considered a reporting entity under the Act, and accordingly has prepared this report in compliance with the Act, following the guidelines published by Public Safety Canada.

Supply chains are global, complex and constantly evolving, and the Hospital acknowledges that fighting forced labour and child labour will be an ongoing and multifaceted process. As such, in the first three months since the enactment of the Act, the Hospital has prioritized the development of its risk assessment framework, which will help ensure that the policies, training activities, and due diligence and risk mitigation procedures that the Hospital develops hereafter are as effective, comprehensive and thorough as possible.

## 1.0 Core Activities

The Hospital for Sick Children (the “Hospital”) is the most research-intensive hospital and the largest centre dedicated to improving children’s health in Canada. The Hospital is a registered charity primarily funded by the Province of Ontario and was incorporated by Special Act of the Ontario Legislative Assembly - *An Act to Incorporate the Hospital for Sick Children* (1892).

The Hospital’s core activities include providing child and family-centred care, creating ground-breaking clinical and scientific advancements, and training the next generation of experts in child health.

## 2.0 Procurement Supply Chain

The Hospital regularly procures medical equipment, supplies, and technology as part of delivering patient care, research, and education.

The Hospital’s suppliers are predominately based in Canada, and are required to comply with local, provincial and national guidelines and legislation.

The Hospital is reliant on several vendors for the supply of highly specialized items, which are required to provide high quality care and advanced precision.

The Hospital strategically sources these items in compliance with provincial and national public sector procurement guidelines to realize best value for money (quality and cost) and fairness in transparency of process. The sourcing process includes the need to import certain items from outside of Canada, where not available domestically, in order to efficiently and effectively operate an academic health organization which provides clinical care, research, and education.

The Hospital’s procurement activities are organized into two primary streams.

- **Managed strategic sourcing and group purchasing organizations**, which are national, not-for-profit, shared services organizations dedicated toward efficiently managing the procurement of common goods to achieve value and quality on behalf of Canadian hospitals and health care providers. These include Mohawk Medbuy and HealthPRO Canada.
- **Planned and direct procurements**, where the Hospital will procure medical equipment, supplies, and technology in accordance with local public sector procurement guidelines, in which the identification, qualification, and distribution/logistics are organized directly with the vendor.

### 3.0 Production And Distribution Supply Chain

The Hospital also produces and sells a small number of custom-made orthotic and orthopaedic devices used to treat or rehabilitate certain paediatric conditions. The devices are fitted onsite using components purchased directly from Canadian suppliers.

The Hospital manages several retail pharmacy, nutrition, and retail shops at its primary location. A vast majority of the items sold in these shops are purchased directly from Canadian suppliers. In certain cases, highly specialized pharmaceuticals and nutritional equipment and supplies are imported from outside of Canada when they are not available domestically.

### 4.0 Policies And Due Diligence Processes In Relation To Forced Labour And Child Labour

The Hospital is committed to promoting the highest standards of business and ethical conduct, integrity and professionalism. This commitment extends to our internal and external stakeholders, encompassing all aspects of our operations in patient and family centred care, research and education.

The Hospital's Code of Conduct provides a set of standards and guidelines that help define a safe, respectful, and compassionate operating environment, while outlining the obligation that the Hospital has to protect patients, families, staff, and those associated with the Hospital from harm. The Code of Conduct also establishes reporting mechanisms for Hospital staff, such as its whistleblower reporting protocols and protections, which provide processes to investigate and remediate grievances and wrongdoings.

Furthermore, the Hospital adheres to relevant and applicable provincial legislation, including the *Employment Standards Act, 2000* which aims to establish minimum employment standards and regulations that promote fair and equitable treatment while providing wage and leave protection, in addition to the *Ontario Human Rights Code, 1962*, which prohibits discrimination against individuals based on protected grounds or social areas.

The Hospital is committed to working with its supply chain partners to develop additional policies and procedures specific to preventing and reducing the risk of forced labour and child labour.

## 5.0 Identification of Risks In Supply Chain

Supply chains are global, complex, and multi-tiered. By definition, a supply chain includes all steps, from the sourcing of raw materials to the production, distribution and sale of goods and services.

As described in Section 2.0 and Section 3.0, the Hospital's direct suppliers are predominately located in Canada, a country with high standards of labour protection. As such, the risks that the Hospital's direct suppliers are using forced labour and child labour are low. The Hospital is committed to working with its direct suppliers to continue to mitigate risks related to forced labour and child labour going forward.

Risk arising in the Hospital's supply chain activities largely stems from the Hospital's indirect supply chain, which refer to the materials and goods used by the Hospital's direct suppliers that could be sourced from countries or industries with known prevalences of forced labour or child labour.

The Hospital is committed to working with its direct suppliers to identify specific and prioritized areas of risk in its extended supply chain, based on mapping activities and data available from global studies of forced labour and child labour.

## 6.0 Steps Taken During Reporting Period To Prevent and Reduce Risks That Forced Labour Or Child Labour Is Used In Supply Chain

The Hospital has conducted a number of risk assessments on its supply chain activities to determine if these activities carry a risk of forced labour or child labour. These risk assessments include:

- Mapping activities and supply chains.
- Conducting an internal assessment of risks of forced labour and/or child labour in the Hospital's activities and supply chains.
- Carrying out a prioritization exercise to focus due diligence efforts on the most (if any) severe risks of forced and child labour.
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

The following is a summary of the results of those risk identification activities with respect to the identifying and managing any potential risks.

- **Managed Strategic Sourcing and Group Purchasing Organizations**

As identified in Section 2.0, the Hospital's managed supply chain partners, which include Mohawk Medbuy and HealthPRO Canada, have provided attestations for the year ended March 31, 2024, that they are not aware of any instances of forced labour or child labour in their supply chains. Furthermore, they have indicated that, going forward, all of their procurement contracts have been modified to ensure that their suppliers must also attest that their goods and services are not the result of, and preliminary results show no involvement of, forced labour or child labour.

Mohawk Medbuy and HealthPRO Canada provide over 80 per cent of the Hospital's consumable supplies on a unique item basis, which is a category of goods that the Hospital has prioritized in its risk assessment, based on information and systems available currently.

- **Planned and Direct Procurements**

The Hospital has mapped all planned procurement activities for the year ended March 31, 2024, by country, and compared this data against global studies of modern slavery which include estimated risks of forced labour/child labour by country.

The Hospital's analysis identified that 94 per cent of all planned procurements by volume were directed to suppliers located in Canada.

Based on current data and systems available, the Hospital's analysis indicates that the Hospital does not submit planned procurements directly to any country with high actual occurrences or high estimated occurrences of forced labour or child labour.

- **Production of Goods**

As identified in Section 3.0, the Hospital also produces and sells a small number of custom-made orthotic and orthopaedic devices used to treat or rehabilitate certain paediatric conditions. The devices are fitted onsite using components purchased directly from suppliers in Canada.

- **Sale of goods**

As identified in Section 3.0, the Hospital manages a number of retail pharmacy, nutrition, and retail shops at its primary location. The Hospital has assessed the procurement practices of these operations by reviewing all suppliers, noting that a vast majority of the items sold in these shops are purchased directly from suppliers in Canada. In certain cases, highly specialized pharmaceuticals and nutritional equipment and supplies are imported from outside of Canada when they are not available domestically.

## 7.0 Remediation of Risks and Remediation of Loss of Income to Vulnerable Families

As of the date hereof, through the procedures and due diligence exercises as identified in this report, the Hospital has not identified any areas of substantial risk, and therefore, the Hospital has not taken any measures to remediate forced labour or child labour in its activities and supply chains, or remediate the loss of income to families.

## 8.0 Training Provided To Employees On Forced Labour and Child Labour

During the year, the Hospital did not provide any training for our employees specific to risks of forced labour and child labour in its supply chains.

The Hospital is in contact with, and aims to collaborate with other organizations, such as the Ontario Hospital Association (OHA), other hospitals, and its supply chain partners to develop training materials to prevent and reduce the risk of forced labour and child labour occurring in its supply chains.

## 9.0 Monitoring Effectiveness

As of the date hereof, through the risk assessment activities described above, the Hospital is not aware of any instances of forced labour or child labour in its supply chain activities.

The Hospital acknowledges that the adoption of the guidance in the Act is ongoing and as such the Hospital will continue on an ongoing basis the process of identifying risks related to forced labour and child labour. The Hospital will continue to refine processes and systems to improve its ability to assess and understand the overall risk profile, and develop policies, procedures and training programs to fully mitigate the risks of forced labour and child labour.