



IWK Health

The Izaak Walton Killam Health Centre
("IWK Health")

Annual Reporting Prepared in Accordance
with the ***Fighting Against Forced Labour
And Child Labour In Supply Chains Act***,
S.C. 2023, c. 9 (the "**Act**")

Reporting Period
April 1, 2023-March 31, 2024

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Introduction

The *Fighting Against Forced Labour and Child Labour In Supply Chains Act* ("the Act"), came into effect on January 1, 2024, introducing new requirements for certain "government institutions" and "entities" (as defined by the Act) to submit a report to the Federal Minister of Public Safety by May 31 of each year, with the first report due May 31, 2024.

The reporting requirements introduced by the Act are intended 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 Izaak Walton Killam Health Centre ("IWK Health") does not meet the definition of a "government institution" under the Act, but it may* meet the definition of an "entity" with reporting obligations under the Act. IWK Health has prepared this report further to the guidelines issued by Public Safety Canada, to ensure compliance with the Act. (**IWK Health is pursuing clarification on whether this report is required on a go-forward basis, due to uncertainty as to whether it in fact meets the definition of an entity with reporting obligations.*)

Under the Act, to be classified as an "**entity**" with a reporting obligation (not all "entities" need to report), IWK Health must meet the following two-part test:

1. It is a corporation that has a place of business in Canada, does business in Canada or has assets in Canada and that, based on its consolidated financial statements, meets at least two of the following conditions for at least one of its two most recent financial years:
 - (i) it has at least \$20 million in assets,
 - (ii) it has generated at least \$40 million in revenue, and
 - (iii) it employs an average of at least 250 employees; **and**

To be an entity that must report under the Act, it must meet the following criteria:

2. It is engaged in one of the following:
 - (a) producing, selling, or distributing goods in Canada or elsewhere;
 - (b) importing into Canada goods produced outside Canada; **or**
 - (c) controlling an entity engaged in any activity described in paragraph (a) or (b).

Under s. 11(1) of the Act, an entity is required to file an annual report to “report to the Minister on the steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity”.

IWK Health is completing this report for itself only and is not representing any other entity.

This report covers the 2023-24 fiscal year (April 1, 2023 to March 31, 2024). It will only include measures and steps taken by the organization during this timeframe.

Supply chains are global, complex, and constantly evolving. IWK Health acknowledges that fighting forced labour and child labour will be an ongoing and multifaceted process. As such, in fiscal 2024-25 IWK Health will prioritize the development of its risk assessment framework, which will help ensure that the policies, training activities, and due diligence and risk mitigation procedures that IWK Health develops hereafter are as effective, comprehensive, and thorough as possible.

Organizational Background

(its structure, activities, and supply chains)

IWK Health is a publicly funded, non-profit health authority and teaching hospital, incorporated under the *Health Authorities Act, SNS 2014 c. 32*. It falls within the “healthcare and social assistance” industry and its business number is 887854354 RT0001.

IWK Health is the Maritime region's leading health care and research centre dedicated to the well-being of women, children, youth and families, in all their diversity. In addition to providing highly specialized and complex care, the IWK provides certain primary care services and is a strong advocate for the health of families. The IWK is a global leader in research and knowledge sharing, and a partner in educating the next generation of health professionals. IWK Health delivers programs and services in 24 locations across Nova Scotia and offers various mobile clinics in the Atlantic provinces.

Delivery of these primary, secondary, and tertiary services is provided by more than 4,000 employees, 264 physicians, 500 volunteers, and a research community of over 700 investigators, staff, trainees, and students. This large, dedicated team is led by a board of directors and an executive leadership team.

In the fiscal year ending March 31, 2024, IWK Health had revenue of \$429.4 million and assets valued at \$406.4 million. Financial activities of IWK Health are reported and audited annually by the Office of the Auditor General of Nova Scotia.

The IWK Health Supply Chain team includes approximately 60 employees. It is responsible for procurement of all goods, services, and construction required to support the organization, and distribution of all goods internally. IWK Health primarily leads their own procurement processes through a combination of direct solicitation, strategic partnerships with group purchasing organizations, leveraging federal and provincial standing offers, and collaboration with other public sector entities.

The provision of specialized quality care requires specialized quality goods and services. As a result, IWK Health considers a wide range of sourcing options and evaluation parameters when making procurement decisions. Most of the high-volume consumables used are obtained from Canadian Distributors who source items globally. Examples of these consumables include a wide range of personal protective equipment, syringes, needles, sutures, tubing, catheters, applicators, sponges, bandages, wraps, etc.

The following table summarizes percentages of expenditures by category supported by the IWK Health Supply Chain team:

Category	Percentage of Total Annual Expenditure	Cumulative Percentage of Total Annual Expenditure
Premises Rent	22	22
Medical Supplies	21	43
Services and Other Contracts	15	58
Equipment Expenses	14	72
Maintenance and Building	12	84
Other	10	94
Patient Food	2	96
Office Expenses	1	97
Professional Fees	1	98
All Other Expenses	2	100

Policies and Due Diligence Processes

(its policies and due diligence processes in relation to forced labour and child labour)

As of March 31, 2024, IWK Health did not have any formal policies or due diligence processes that specifically address the risk of forced labour or child labour in supply chains.

Actions being considered by IWK Health to demonstrate its commitment to fighting this issue include:

- Updates to key policies, such as the Procurement Policy, to formally express IWK Health's commitment to solving this global issue,
- Incorporation of vendor commitment / compliance to the same into procurement evaluation criteria,
- Development of internal training / education materials, and an awareness campaign, and
- Benchmarking current state and setting targets and timelines for improvement.

Risk Assessment

(the part of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk)

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.

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

IWK Health uses a large volume of single-use, consumable products including personal protective equipment, medical devices, and other products used to provide quality patient care while keeping staff and patients safe. Many of these products are produced outside of Canada, often in developing countries where the risk of forced labour or child labour is high.

Most of these products are purchased under contracts established by group purchasing organizations (GPO) such as HealthPro Canada, Mohawk MedBuy, Canoe,

and Kinetic. HealthPro Canada, the GPO most frequently used by IWK Health, has stated in its attestation filed under the Act for the year ending March 31, 2024, that they are not aware of any instances of forced labour or child labour in their supply chain. They reported taking the following measures to assess and manage the risk of forced labour or child labour being used by: a) development and implementation of anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists, and b) engagement with supply chain partners on the issue. Since April 1, 2023, the majority of their public solicitation documents included a scored question related to supplier's public facing commitments to eliminate forced labour.

Remediation Action and Mitigating Income Loss

(any measures taken to remediate any forced labour or child labour and any measure taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains)

We are not aware of any instances of forced labour or child labour that are part of IWK Health's supply chains. Accordingly, during the reporting year, no remediation measures have been taken. An assessment of current state is required to identify risks and develop an action plan accordingly.

Employee Training

(training provided to employees on forced labour and child labour)

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

New employees are required to participate in onboarding education which includes Respectful Workplace training. While this practice does not specifically address issues of forced labour or child labour, they affirm IWK Health's commitment to ensuring that everyone working at IWK Health adheres to the highest ethical standards.

Two key documents, the IWK Health Code of Conduct, and the Cultivating Belonging through a Respectful Workplace - Bullying and Harassment Policy, were updated during fiscal year 2023-24. These documents guide IWK Health Employees, Board Members, Learners, Physicians, Volunteers and Contractors through engaging in relationships, problem solving, and demonstrating behaviors in the workplace that value equity and belonging. They reflect our commitment to the women, children,

youth, and families we serve, in all their diversity, by describing how we conduct ourselves in our daily work relationships. They set our standard for ethical relationships and provide direction on relevant professional and personal standards to ensure we uphold the mission and values that have made IWK Health a respected and trusted organization.

IWK Health is committed to ensuring that employees have the tools available to report on wrongdoing. This includes a Disclosure of Wrongdoing Policy which provides employees with a process to facilitate the disclosure and investigation of potential wrongdoing and to provide protection for those who disclose the acts of wrongdoing. During the reporting period, IWK Health introduced a confidential, on-line reporting application which allows IWK Health employees to report in a safe and easy manner to an external party.

Effectiveness Evaluation

(how the reporting entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains)

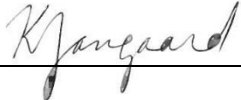
IWK Health currently does not have any policies or processes in place to assess effectiveness.

IWK Health acknowledges that the adoption of the guidance in the Act is ongoing and as such it will continue, on an ongoing basis, the process of identifying risks related to forced labour and child labour. IWK Health 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.

Attestation

This Report for IWK Health for the fiscal year 2023-24 was approved pursuant to subparagraph 11(4)(b)(i) of the Act by the Board of Directors of IWK Health.

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.



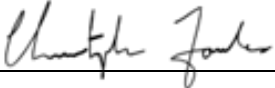
Signature
I have the authority to bind IWK Health.

November 13, 2024

Date

Dr. Krista Jangaard
President and Chief Executive Officer
IWK Health

I certify that this attestation has been approved by the Board of Directors of IWK Health on September 24, 2024.



Signature
I have the authority to bind IWK Health.

November 13, 2024

Date

Chris Fowles
Chair, Board of Directors
IWK Health