



THE HOSPITAL FOR
SICK CHILDREN

Annual Reporting Prepared in Accordance with Bill S-211
and *The Fighting Against Forced Labour or Child Labour in
Supply Chains Act* (the “Act”)

The Hospital for Sick Children

Reporting Period

April 1, 2025, to March 31, 2026

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: April 29, 2026, for the Reporting Period April 1, 2025, to March 31, 2026

SUBJECT: Annual reporting prepared in accordance with Bill S-211 and *The Fighting Against Forced Labour or Child Labour in Supply Chains Act* ("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 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.

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

April 29, 2026

Date

I certify that this attestation has been approved by the Board of Trustees of The Hospital for Sick Children on April 29, 2026.

Signature

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

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

Date

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THE HOSPITAL FOR
SICK CHILDREN

Preamble

Bill S-211, *An Act to Enact the Fighting Against Forced Labour or Child Labour in Supply Chains Act and to Amend the Customs Tariff* received royal assent on May 11, 2023, with *The Fighting Against Forced Labour or Child Labour in Supply Chains Act* ("the Act"), coming into effect on January 1, 2024, introducing new annual reporting requirements effective May 31st of each year.

The reporting requirements introduced by the Act intend to increase industry awareness and transparency around forced labour or child labour, while driving organizations to improve practices to prevent or reduce the risk of forced labour or child labour occurring.

Assessment of Scope and Reporting Approach

In light of the updated guidance issued by Public Safety Canada regarding "very minor dealings," The Hospital for Sick Children (the "Hospital") is currently assessing whether its importing and production activities may be characterized as incidental, low volume, and not central to its core operations.

While this assessment is ongoing, and recognizing that the guidance does not establish a statutory exemption or bright-line threshold, the Hospital has elected to file this report out of an abundance of caution. The Hospital will continue to evaluate its activities and will make a determination, on a documented and risk-based approach, as to whether reporting is required in future reporting periods.

1.0 Structure, activities and supply chains

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 the 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 health care providers, leaders, and scientists focused on child health.

The Hospital regularly procures medical equipment, supplies, and technology from Canadian suppliers, who are required to comply with local, provincial and national guidelines. Additionally, the Hospital relies on several suppliers for specialized items, importing them from outside of Canada when not available domestically.

The Hospital’s procurement activities are organized into two streams:

1. **Managed Strategic Sourcing and Group Purchasing Organizations (GPOs):** National, not-for-profit organizations dedicated to managing the procurement of common goods to achieve value and quality. These include Mohawk Medbuy and HealthPRO Canada.
2. **Planned and Direct Procurements:** The Hospital procures medical equipment, supplies, and technology in accordance with local public sector procurement guidelines, organizing identification, qualification, and logistics directly with the supplier.

The Hospital also produces and sells a small number of custom orthotic and orthopaedic devices for paediatric conditions and manages several commercial services including a retail pharmacy, nutrition, and retail shops at its primary location. The orthotic devices operations use components from Canadian suppliers, and most items sold in the shops are purchased directly from Canadian suppliers. Specialized pharmaceuticals and nutritional supplies are imported when not available domestically.

2.0 Policies & due diligence processes

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 external-facing [Supply Chain Code of Ethics](#) (the “Code”) requires suppliers to comply with all applicable laws and regulations regarding labour practices,

including the Act, and encourages them to maintain policies and procedures designed to reduce the risk of forced labour or child labour occurring in goods and services provided to the Hospital.

For all competitive procurements, the Hospital requires each supplier to declare its compliance with the Code and provides a competitive advantage to suppliers with current policies and procedures that are designed to reduce the risk of forced labour or child labour occurring in the goods and services being provided to the Hospital. The Hospital may disqualify any supplier who acts contrary to the Code.

The Hospital's GPOs also utilize procurement templates requiring that their suppliers are committed to ensuring that goods and services provided to the Hospital are free from and in no way involve forced labour or child labour.

The Hospital references the Code in its internal-facing Code of Conduct and its Procurement of Goods and Services policies.

The Hospital's Code of Conduct outlines standards for maintaining a safe and respectful environment, with established reporting and whistleblower protocols. The Hospital adheres to provincial legislation, including the *Employment Standards Act, 2000*, and the *Ontario Human Rights Code, 1962*, to ensure fair treatment and protection against discrimination.

The Hospital has implemented a set of escalation procedures to follow as part of an action plan for addressing instances of forced labour or child labour, in the event that a specific instance or risk of forced labour or child labour is identified, to mitigate those risks where possible.

3.0 Risk assessment and steps taken during reporting period to prevent and reduce risks that forced labour or child labour is used in supply chain

As the Hospital's direct suppliers are predominantly Canadian, the risks of forced labour or child labour among these suppliers are low. However, risks in the Hospital's supply chain activities largely stem from the indirect supply chain, referring to materials and goods used by direct suppliers that may be sourced from countries or industries with varying practices and regulatory environments as it relates to the issue of forced labour or child labour.

Risk Identification Activities

As of the current year, the Hospital has not identified any specific examples of items with higher risks, nor has it identified any actual instances of forced labour or child labour.

As part of its risk assessment, the Hospital cross-referenced external data sources to identify activities and parts of its supply chain that carry a risk of forced labour or child

labour. The US Department of Labor's "List of Goods Produced by Child Labour or Forced Labour" identified product categories cotton and garments as higher risk categories. As a paediatric hospital, the Hospital procures several items within these categories, which therefore face an elevated risk of forced labour or child labour.

These categories were referenced when performing a risk assessment on each of the Hospital's channels of procurements. This risk assessment is summarized as follows:

- **Managed Strategic Sourcing and GPOs**

The Hospital's managed supply chain partners, which include Mohawk Medbuy and HealthPRO Canada, have indicated that as of May 31, 2024, all of their procurement contracts and templates 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. The Hospital has prioritized consumable supplies in its risk assessment, as it contains many of the unique items under the categorizations of cotton and garments.

- **Planned and Direct Procurements**

The Hospital has mapped all procurement activities by country and compared this data against global studies of modern slavery which include estimated risks of forced labour and/or child labour by country.

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

- **Production of Goods**

As identified in Section 1.0, 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 1.0, 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.

Steps Taken in Mitigating Risks

As identified in Sections 2.0 and 3.0, the Hospital has taken a number of steps to prevent and reduce the risk of forced or child labour in its supply chain activities. During the current fiscal year, the following steps have been taken:

- Implemented language in procurement templates requiring suppliers to comply with the Hospital's Code, including preventing the use of forced or child labour in their activities and supply chains.
- Implemented a process to provide a competitive advantage in competitive procurements to suppliers with policies and procedures for identifying and prohibiting the use of forced or child labour in their activities and supply chains.
- Implemented an escalation process should an instance of forced or child labour be identified within the Hospital's supply chain.

Additionally, the following steps are continuing in the current year from previous years:

- 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.
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the Hospital's activities and supply chains.
- Developing and implementing training and awareness materials on forced labour and/or child labour.
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists.
- Developing and implementing an action plan for addressing forced labour and/or child labour.
- Engaging with supply chain partners and peer hospitals on the issue of addressing forced labour and/or child labour.

4.0 Remediation of forced labour or child labour

As of the current date, based on the procedures and due diligence exercises outlined in this report, the Hospital has not identified any instances of actual forced labour or child labour occurring in its supply chain. Consequently, the Hospital has not implemented any measures to remediate forced labour or child labour.

5.0 Remediation of loss of income as a result of eliminating forced labour

or child labour

As the Hospital has not yet identified any actual instances of child labour or forced labour, it has not taken any steps to remediate the loss of income to families.

6.0 Training provided to employees on forced labour or child labour

Training has been provided to procurement leaders and procurement specialists, specifically on the Act, and the Hospital's updated policies and due-diligence procedures on mitigating the risk of forced labour or child labour.

As well, the Hospital has participated in a number of external opportunities discussing the Act as well as opportunities for risk mitigation.

The Hospital will continue to collaborate with its GPOs and peer healthcare organizations as part of its efforts to develop further training materials for broader audiences.

7.0 Monitoring effectiveness

The Hospital has conducted risk assessment activities and has not identified any instances of forced labour or child labour in its supply chain activities.

The Hospital recognizes that the implementation of the Act is an ongoing process and as such will continue to work to identify risks related to forced labour or 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 or child labour.