

**NORTH YORK
GENERAL**

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Forced Labour in Canadian Supply Chains

Updated May 28, 2024

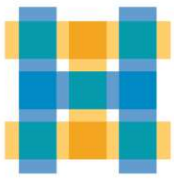


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Introduction

This report is North York General Hospital's 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, 2024. The Reporting Entity covered by this statement is North York General Hospital (Business number: 10778 6733 RR0001).

For the purposes of the Act, North York General Hospital ("NYGH") meets the Entity definition as it has a business and does business in Canada, has assets in Canada and meets the threshold for revenue, assets and employees. NYGH meets the definition of Reporting Entity, as it sells goods in Canada, distributes goods in Canada and imports into Canada goods produced outside of Canada. NYGH is obligated to submit a report to the Minister of Public Safety and provide a public report in response to the Supply Chains Act by May 31, 2024.

NYGH is committed to achieving its purpose of "Making a World of a Difference" by upholding the values of respect, integrity, excellence, compassion and collaboration and following a People-Centred Care approach in everything it does. As part of this commitment, NYGH implemented a Equity, Diversity and Inclusion (EDI) framework, and has a goal to embed environmental sustainability in all aspects of healthcare delivery. Under the Broader Public Sector Accountability Act, 2010 (BPSAA), NYGH adheres to standards in compensation, expenses, perquisites, business documents, and procurement. The BPSAA procurement directive emphasizes accountability, transparency, value for money, quality service delivery, and process standardization, ensuring a fair and transparent procurement process. Additionally, it mandates a Supply Chain Code of Ethics to uphold integrity, professionalism, compliance, and continuous improvement.

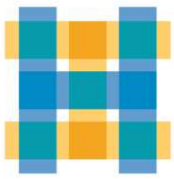
NYGH is committed to improving quality, accountability and transparency in its operations and supply chain. Forced labour and child labour is contrary to our statement of purpose, vision, and values, therefore NYGH does not endorse any human trafficking and modern slavery within its organization or any organization with whom it conducts business with.

1. Structure, Activities and Supply Chain

Business Overview

North York General Hospital (NYGH), affiliated with the University of Toronto, is one of Canada's leading community academic hospitals, offering its diverse community a wide range of acute care, ambulatory and long-term care services across multiple sites since 1968. Through partnerships, collaboration, and academic endeavours, we seek to set new standards for people-centred care. Working together with our patients and their families, we are making a world of difference.

The hospital partners with 36 different academic institutions, including the University of Toronto, to prepare future physicians, nurses, and other health care professionals to work in interprofessional



teams, providing essential care in a community hospital setting. NYGH programs are the training site for four core clerkship programs, and we provide a site for core rotations to 22 different University of Toronto Residency Programs. Over 300 North York General physicians have faculty appointments at the University of Toronto. Each year, over 1,000 students come here to learn and develop their clinical skills.

Our staff, physicians and volunteers have a history of transforming health care to better serve our patients. We are leaders who adopt the most innovative health information technology, strategists who carefully chart patient flow and find ways to reduce wait times, and visionaries who dream of, and work towards, the ideal patient experience. From boardroom to bedside, we go above and beyond to offer the best and safest care. We put our patients first in everything we do.

For the reporting year, NYGH had 4,101 employees, 842 active physicians, 287 volunteers and 27 patient experience partners.

The North American Industry Classification System (NAICS) Canada 2022 Version 1.0 was used to classify the sectors applicable to NYGH's operations, supply chain and related activities. NYGH operates in the following sectors and sub-sectors:

- (62) Healthcare and social assistance
 - (622) Hospitals
- (54) Professional, scientific, and technical services
 - (541) Professional, scientific, and technical services

Supply Chain Overview

NYGH leverages two primary strategic procurement and sourcing partners to support hospital operations: Mohawk Medbuy and HealthPRO Canada. NYGH is a member of Mohawk Medbuy.

Mohawk Medbuy is a national, not-for-profit, shared services organization trusted by hundreds of Canadian hospitals and healthcare providers to drive value, efficiencies and cost savings on supplies and services. Mohawk Medbuy supports NYGH's operations by providing value-driven contracting and procurement solutions for medical/surgical supplies, local sourcing, capital equipment (FF&E) and nutrition solutions. Mohawk Medbuy also provides in-hospital services, warehousing/logistics, technology services and procurement services. Mohawk Medbuy also aims to maximize supply chain savings to support reinvestment into direct patient care.

As a provider, Mohawk Medbuy has an emerging focus on sustainability and reconciliation with Indigenous Peoples and is active in its commitment to create a resilient value chain that incorporates environmental, social and economic well-being.

HealthPRO Canada is a leader in procurement and a trusted supply chain partner that has been in operation for over 25 years. They facilitate and manage modern, innovative and sustainable contracts



for supplies, equipment and medication. HealthPRO Canada serves 1,300 member healthcare facilities to achieve best-in-class contracts.

HealthPRO Canada believes it has an obligation to operate its business sustainably and has a formal sustainability policy that helps guide its operations as it pertains to social and environmental activities. In 2023, HealthPRO Canada launched its Member-led Sustainability Committee (MLSC) comprised of more than 20 dedicated participants, including sustainability experts, representing healthcare organizations across the country. HealthPRO Canada intentionally and proactively also supports Indigenous vendors and artists as its means to foster economic reconciliation.

NYGH's supply chain for the reporting period was comprised of 739 vendors spanning eight countries (Canada, Germany, Israel, Netherlands, Sweden, Switzerland, the United Kingdom and the United States) with 93% of its Tier 1 procurement spend attributed to Canada.

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

For the reporting period, NYGH has put reliance on the policies and processes that its strategic procurement partners have put in place. At this time, NYGH is reviewing and determining what additional policies or processes would be appropriate or required for compliance in this area.

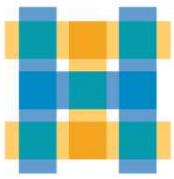
Mohawk Medbuy

Mohawk Medbuy, our largest strategic partner by total expenditures, has provided written attestation that they have taken the following steps since the passing of the Act; they have:

- Modified their procurement contract templates and competitive procurement templates (i.e. RFPs) to require suppliers to attest that the goods and services purchased are not the result of forced labour or child labour.
- Formalized their commitment to sustainability and environmental, social and governance (ESG) practices through the creation of a dedicated ESG team.
- Planned iterative improvements relevant to health care supply chains, including the development of an internal policy and training for those in sourcing and supply chain roles.

In the event Mohawk Medbuy identifies any instance of forced or child labour in its supply chain, they will inform NYGH's Chief Financial Officer.

Additionally, Mohawk Medbuy follows a detailed process to review and assess new technologies or practices changes in partnership with its members for consideration when establishing a new contract. Their sourcing is rigorous, fair and transparent to ensure compliance with all procurement regulations governing its members including the Broader Public sector (BPS) Procurement Directive and following trade agreements: the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), Canada Free Trade Agreement (CFTA), Trade and Cooperation Agreement between Ontario and Quebec (OQTCA).



Mohawk Medbuy does not recommend, choose, or maintain a list of vendors for its member hospitals, healthcare providers or public sector organizations. They initiate and manage the sourcing process for members while member make the final procurement decisions. Mohawk Medbuy uses product or service categories to publicly post what hospitals require when contracts come up for renewal or if there is a new sourcing initiative. Vendors who respond to the posted RFP with successful proposals are awarded the business with a written contract. When the contract is approaching expiry and there is a continued requirement, the posting and award process is repeated. Mohawk Medbuy's current contract sourcing opportunities are posted on Biddingo, a subscription-based public procurement website open to all registered vendors. To provide a notice of upcoming or future opportunity, Mohawk Medbuy maintains a Contract Registry which is updated regularly.

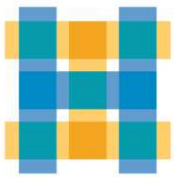
HealthPRO Canada

HealthPRO Canada's procurement process complies with all procurement regulations including the Broader Public sector (BPS) Procurement Directive and following trade agreements: the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), Canada Free Trade Agreement (CFTA), Trade and Cooperation Agreement between Ontario and Quebec (OQTCA). These regulations call for an open, fair and competitive process.

HealthPRO Canada evaluates supplier submissions through rigorous scoring criteria established by HealthPRO's team of professionals as well as practicing clinicians, business professionals and subject matter experts from across the country.

They have defined processes for awarding the following contracts: Pharmacy contracts, clinical contracts, support services contracts and nutrition and food services contracts. These can be reviewed in detail [on their website](#). All contract opportunities are publicly posted on Biddingo and contract schedules are maintained and updated on a regular basis. In addition to this, HealthPRO Canada is committed to Responsible Procurement. This includes the following practices with a focus on sustainability:

- **Sustainability Scorecard:** this is used to assess a supplier's sustainability maturity against environmental, social and economic criteria;
- **Sustainability Tools:** HealthPRO Canada has developed digital tools to help members evaluate the carbon footprint associated with their purchase of specific pharmaceutical products;
- **Sustainability Rounds Pathway Series:** these webinars provide educational content for members on social and environmental sustainability topics that lead to positive impacts on the health and resilience of the environment, community and healthcare sector;
- **Aboriginal Procurement Champion:** The Canadian Council for Aboriginal Business (CCAB) has designated HealthPRO Canada as an Aboriginal Procurement Champion;
- **300+ sustainable contracts available to membership:** this portfolio of 300+ products are reusable, biodegradable or otherwise have a low carbon footprint.
- **Health PROCure:** founded in collaboration with Health PROC Europe, this organization is an international collaboration to advance sustainability, supply chain resilience and innovation in healthcare through procurement



Internal Policies, Processes and Procedures

While NYGH does not have specific policies or clauses in policies which speak to Child and Forced Labour, we maintain comprehensive Purchasing Policies and a Supply Chain Code of Ethics across our organization. Honesty and due diligence are the fundamental pillars of our supply chain principles and ethics, and all employees involved in procurement or supply chain operations are expected to act in an ethical and professional manner and with integrity. The following are the established policies and procedures within NYGH's supply chain policy framework:

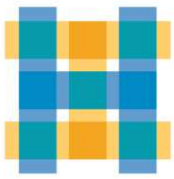
- **Code of Conduct:** The purpose of this manual is to provide NYGH staff with a comprehensive and centralized resource of policies, procedures, guidelines, and best practices to help them understand their obligations when a potential or actual conflict of interest arises, and the appropriate procedures to address any potential or actual conflicts of interest, encouraging consistency and transparency. NYGH has also adopted the BPS Sector Supply Chain Code of Ethics.
- **Procurement Directive Framework:** This comprehensive procurement policy manual ensures that NYGH obtains the best value for the goods and services it requires and that they are procured through fair and transparent means. The policy manual covers the following: procurement responsibilities, scope, requisitioning, sourcing, contracting, purchasing, receiving, procurement procedures, conflict of interest policy, code of ethics, competitive procurement, sourcing specification and document requirements and all procurement department procedures.
- **Vendor Relations Policy:** This policy ensures all staff and physician's conduct fair business practices that are consistent with hospital values and that existing Purchasing Policies are employed. A handbook of Purchasing Policies and Procedures is available in all departments and extra copies are available in the Purchasing Department for all Hospital staff, physicians, and suppliers. This policy covers: authorized personnel, prices, quotations and tenders, samples, corporate agreements, the role and responsibilities of the Purchasing and Standardization Committee and guidance for site visits.
- **Vendor Sales Representative (VSR) Manual:** The purpose of this policy manual is to outline the expectations of the VSRs when conducting business and communicating with representatives, to enable patient care & safety, and to establish standards of conduct and protocols to guide the conduct of VSRs.

The Building Ontario Business Initiative Act, 2022 (BOBIA)

As a public sector organization, NYGH is required under the Building Ontario Business Initiative Act (BOBIA), effective January 1, 2024, to prioritize Ontario businesses in procurement processes for prescribed goods and services under a specific threshold. This legislation applies across all public sector procurements.

Similar to other jurisdictions, Ontario employs competitive procurement processes for goods and services. Traditionally, submissions are evaluated based on factors such as price, experience, and qualification but BOBIA expands these technical requirements to include criteria such as social and economic considerations. This approach levels the playing field for businesses in Ontario, promoting a fair evaluation process that benefits local businesses and communities.

HealthPRO Canada as a strategic procurement partner of NYGH was invited to consult with the Ontario government on the proposed Act and provided input into draft regulations.



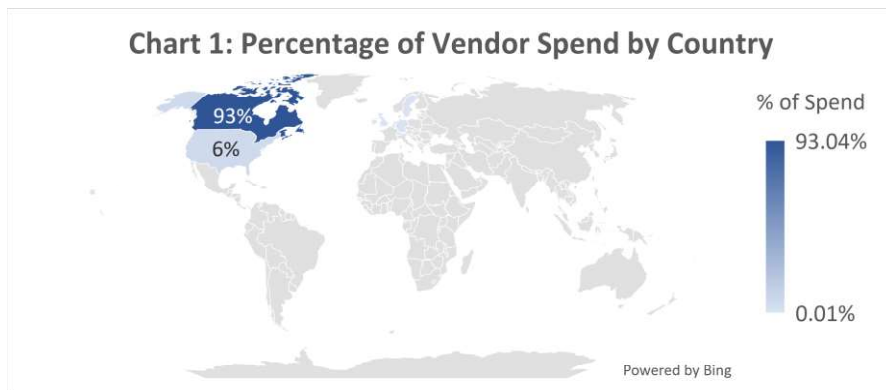
3. Identification of Forced and Child Labour Risk

To understand where in the supply chain forced or child labour risks may exist, NYGH recently carried out a risk assessment process. This process was guided by insights provided by the Walk Free Global Slavery Index, and the US Department of Labor’s List of Goods Produced by Child Labour or Forced Labour.

Our supply chain forced and child labour risk analysis enabled us to highlight prevalence of risk of forced or child labour associated with certain goods and certain countries. Our risk assessment does not presuppose the actual use of forced or child labour within our operations or supply chains, rather, it is aimed at recognizing potential scenarios where such risks might arise, thereby further enabling us to implement effective preventative measures.

This 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.

Our 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.



Risk Assessment Findings

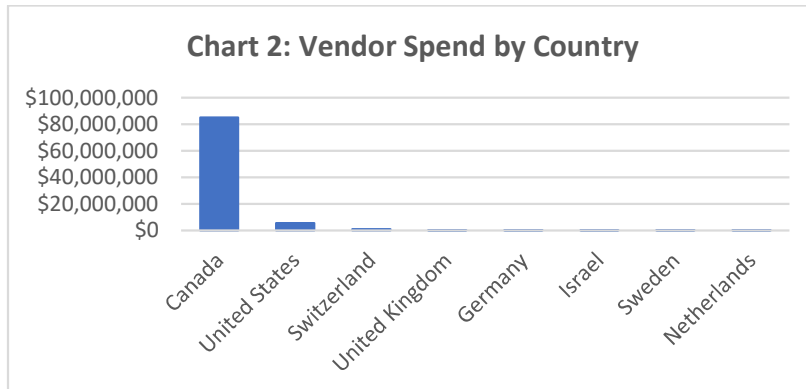
Through the application of the analysis, NYGH could not identify any suppliers in countries with a heightened risk of forced or child labour. Furthermore, 99% of our supply chain spend is associated with Canada and the United States alone, countries which are widely accepted as having a significantly lower estimated prevalence of forced or child labour.

NYGH also considered the data from the US Department of Labor’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. When this data was compared against the portfolio of



products that we import, no products were identified that are subject to an elevated risk of being associated with forced or child labour practices.

Overall, the findings from our risk assessment suggest that there is minimal exposure to forced and child labour risks within the supply chain in the context of overall expenditures.



4. Remediation of Forced and Child Labour

For the reporting period, no instance of forced or child labour was identified, therefore no remediation of forced and child labour occurred.

In the event that NYGH identifies or comes across any forced or child labour instance within our supply chain, we will adhere to the guidance provided by Public Safety Canada and refer to the OECD guidelines to chart out an appropriate course of forced or child labour remediation.

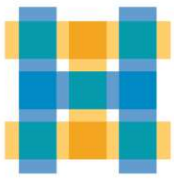
5. Remediation of Loss of Income

For the reporting period, no instance of forced or child labour was identified, therefore no remediation of loss of income occurred.

In the event that NYGH identifies or comes across any forced or child labour instance within our supply chain, we will adhere to the guidance provided by Public Safety Canada and refer to the OECD guidelines to chart out an appropriate course of forced or child labour remediation.

6. Employee Training

As NYGH outsources procurement to Mohawk Medbuy for a large percentage of its procurement activities, our organization relies on them for training staff engaged in procurement activities. Since the passing of the Act, they have since developed internal policy and training for those in sourcing and supply chain roles.



NYGH also has policy, procedure and process training that addresses and trains employees and its representatives on our EDI framework, an important step in reinforcing our values across the organization.

While no training was provided on forced or child labour in supply chains, HealthPRO Canada made training available related to sustainability and procurement in healthcare during the reporting period. This included:

- Social and green prescribing – offered by Cascades and the Canadian Institute for Social Prescribing
- Think Resilience – an online course hosted by Richard Heinberg, a Senior Fellow of the Post Carbon Institute and sustainability author, with content focused on responding to the 21st century’s environment and social crises by building community resilience.
- Access to resources provided by Nourish – an collaborative ecosystem of staff, a Board of Directors, partners, strategic consultants and advisors that aims to use the power of food to build health for people and the planet; an initiative of the McConnell Foundation
- Access to participate in the Summer Institute - available to equip graduate trainees in health-related program in Canada with knowledge and skills required to lead, manage, analyze, inform or deliver sustainable health systems

7. Assessing Effectiveness

For the reporting period, given no specific policies, procedures or training were in place related to the use of forced or child labour in supply chains, NYGH is not able to determine effectiveness.

NYGH is currently in the process of reviewing and evaluating best practice guidance to determine what appropriate measures on effectiveness will be required.

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 Everton Gooden
Title President and CEO
Date May 29, 2024
Signature *Everton Gooden*

"I have the authority to bind North York General Hospital."

Full Name Bert Clark
Title Ceo
Date May 29, 2024
Signature *bc*

"I have the authority to bind North York General Hospital."