

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

INTERLAKE-EASTERN REGIONAL HEALTH AUTHORITY ANNUAL REPORT FOR APRIL 1, 2025 – MARCH 31, 2026

Introduction

This annual report has been prepared pursuant to Interlake-Eastern Regional Health Authority's ("IERHA") responsibilities and requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act").

IERHA determined it is an "Entity" as defined in the Act and therefore required to report on the organization's activities to mitigate the risk of forced labour and child labour being employed within its supply chain and its activities.

The Act came into force on January 1, 2024. This annual report is the third completed pursuant to the Act by IERHA.

Structure

IERHA is a health authority, and continued as a corporation under *The Health System Governance and Accountability Act* (Manitoba). The Chief Executive Officer, Executive Lead of Corporate Services, and other executives are responsible for the day-to-day leadership and administration of IERHA and report to the Board of Directors. IERHA's administrative services are overseen by the Executive Lead of Corporate Services.

The geography that IERHA serves has an area of 61,000 square kilometers, and extends east to the Ontario border, north to the 53rd parallel, west to the eastern shores of Lake Manitoba and south to Winnipeg's north perimeter dipping down just past Winnipeg to slightly below the Trans-Canada highway eastwards to Ontario. A significant portion of the region is considered northern with a remote area accessible only by air, water or a winter road system. Programs within IERHA consist mainly of health care centers, personal care homes, and various community programs.

Shared Health is the provincial regional health authority and is responsible for Supply Chain Management Shared Services ("SCMSS"). SCMSS provides strategic sourcing, contracting, procurement and distribution/logistics. IERHA works in collaboration with SCMSS for the efficient acquisition of products, equipment and services to achieve the best overall value considering cost, quality and outcomes.

IERHA Activities

IERHA has determined it is engaged in the production, sale, importing, and distribution of goods as follows:

1. Food services:
 - a. IERHA operates cafeterias in the sites it operates in Manitoba where food/beverages are assembled by its staff and then sold to the public;
 - b. IERHA provides an onsite meal service in its operated sites in Manitoba where its staff prepare meals and then distribute them to patients and residents.
2. Pharmacy compounding of medications:
 - a. IERHA through its Pharmacy Program staff compounds medications that are not sold, but used for patient care in the Manitoba sites where the Pharmacy Program is embedded.
3. Importing:
 - a. To support its provincial clinical programs, IERHA purchases goods produced outside Canada from third party suppliers, where that third party is considered to be the importer for the purposes of the *Customs Act* but understands such is not considered importing under the Act.
 - b. However, IERHA on an as needed basis imports goods from distributors, with the assistance of a customs broker as needed, if its existing suppliers cannot provide the goods. This importing mostly applies to medical supplies and generally such is imported from the United States.

Supply Chain Underlying IERHA Activities

SCMSS is a shared administrative service under Shared Health. While Shared Health provides certain shared administrative services to other health authorities, SCMSS does not coordinate all competitive bid processes and purchasing activities for all health organizations within Manitoba.

As a result, IERHA is also responsible for purchasing products, services, and equipment directly from suppliers. Generally, these purchases are made from contracts established by SCMSS with these suppliers, however, there are some exceptions.

IERHA is an active member of HealthPRO which is a national group purchasing organization. Approximately 30% of Shared Health's goods and equipment contracts are committed to HealthPRO agreements and approximately 95% of IERHA's pharmacy contracts are committed through HealthPRO agreements. . Shared Health also works directly with the Procurement & Supply Chain division of the Government of Manitoba ("PSC") on collaborative procurement initiatives such as food and nutrition which was awarded in 2025.

SCMSS' responsibility for IERHA's activities are as follows:

1. In 2025, PSC was responsible for leading the food and nutrition competitive bid process and contracting with the selected supplier to supply/deliver the raw materials that are used to produce the food/beverages that are sold in IERHA cafeteria services.. SCMSS assisted PSC to issue the food and nutrition competitive bid process but now relies on PSC to manage the contract with the selected supplier on behalf of IERHA. SCMSS is not solely responsible for contracting with suppliers, IERHA Material Management will also lead the process for contracting with suppliers in instances where SCMSS is unable to meet the requirements of IERHA. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and distributed through Shared Health's onsite meal service and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
2. SCMSS infrequently is responsible to lead the competitive bid processes and/or contracting with suppliers for the raw materials used to produce medications that are not sold but used for patient care. For a majority of their needs, IERHA relies on HealthPRO to issue competitive bid processes for these raw materials and thereafter IERHA enter into a contract with the selected suppliers that are managed by HealthPRO. As described above, approximately 95% of IERHA's pharmacy contracts are committed through HealthPRO. A description of the direct and indirect suppliers that contribute goods/services to the goods produced through IERHA's Pharmacy Program and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
3. SCMSS, with the assistance of a customs broker, on an as needed basis imports goods for IERHA from a distributor if IERHA's existing suppliers cannot provide them. This importing mostly applies to medical supplies and generally are imported from the United States. A description of the direct and indirect suppliers that contribute goods/services to the goods imported by IERHA and a more detailed description of the source countries/regions of those goods/services, was not able to be ascertained for this annual report.

Steps Taken in Previous Financial Year (April 1, 2025 – March 31, 2026)

During the previous financial year, Shared Health representing IERHA's procurement took steps 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 Shared Health and the other healthcare Service Delivery Organizations, or goods imported into Canada by Shared Health. Generally, this included:

1. Developing and implementing training and awareness materials on forced labour and/or child labour.

IERHA through SCMSS also took steps in the past financial year to prevent and reduce the risk that forced labour or child labour is used in the supply chains managed by SCMSS. However, these steps are not anticipated to address this risk in supply chains that contribute to any of IERHA's activities. Generally, this included:

1. Developing and implementing anti-forced labour and/or child labour contractual clauses.

While not completed or implemented, in the past financial year Shared Health through SCMSS took initial planning steps in addition to the above to address the risk in supply chains managed by SCMSS. Therefore, these steps when implemented may only address IERHA's importing activities and other SCMSS managed supply chains and are not anticipated to address the risk in supply chains that contribute to IERHA's food services or medication compounding activities. Generally, these initial planning steps were in relation to:

1. Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains;
2. Developing and implementing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists; and
3. Monitoring suppliers.

Developing and implementing training and awareness materials on forced labour and/or child labour

Shared Health collaborated with a service provider to obtain training materials on forced labour and child labour. Three (3) basic online training modules are now available on Shared Health's learning management system, which will be mandatory for all SCMSS staff and voluntary for other Shared Health or IERHA staff. In the past financial year, all SCMSS staff and select Shared Health Capital Planning staff completed the three (3) basic online training modules. Furthermore, SCMSS through its subscription with the

service provider has access to additional training and workshops such as Tariffs, Trade Agreements, Incoterms and Forced Labour which was attended by select SCMSS staff responsible for contracting with suppliers.

Developing and implementing anti-forced labour and/or child labour contractual clauses

SCMSS developed anti-forced labour and/or child labour contractual clauses to include in new contracts entered into pursuant to its competitive bid processes. In late March 2026 these contractual clauses were implemented into SCMSS' template contracts.

Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains

SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers. However, the risk assessment was not completed or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

The initial phase is expected to include basic research and screening using publicly available databases to identify suppliers operating in high-risk geographies or industries. The second phase is expected to include distributing a comprehensive supplier questionnaire and conducting a "tail spend" risk assessment to identify and map suppliers not engaged through a competitive bid process. It is anticipated that high risk suppliers identified through the tail spend risk assessment would be prioritized for further screening or onboarding to a competitive bid process.

Developing and implementing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists

SCMSS is in the process of developing a supplier code of conduct. However, the supplier code of conduct was not finalized or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

Monitoring suppliers

As part of its two (2) phase supplier risk assessment, SCMSS is in the process of planning an ongoing monitoring and reporting process, which is expected to include establishing mechanisms for incident reporting/whistleblower channels and annual risk reviews/supplier score cards. However, the ongoing monitoring and reporting process was not finalized or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

IERHA does not currently have any policies or due diligence processes (as described in the *OECD Due Diligence Guidance for Responsible Business Conduct*) in place related to forced labour or child labour. However, IERHA has Hiring procedures that are designed to maintain compliance with federal immigration legislation and provincial employment legislation which addresses one form of child labour as defined in the Act i.e., *labour or services provided or offered to be provided by person under the age of 18 years and that are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada.*

SCMSS previously developed a scored question for its competitive bid processes that require proponents that meet the Act's definition of "Entity" to provide their public facing commitment to eliminate forced labour and child labour and steps they have taken to ensure its supply chain is free from forced labour and child labour. This scored question was implemented by SCMSS broadly for its competitive bid processes for goods and some services, but it no longer is anticipated to address the supply chains that contribute to IERHA's food services or medication compounding activities. For tracking purposes, SCMSS developed and implemented a procedure for a member of its performance management team to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented. As described above, SCMSS is in the process of planning a two (2) stage risk assessment, including an ongoing monitoring and reporting process, as well as developing a supplier code of conduct.

Shared Health also relies on HealthPRO's due diligence processes implemented with respect to their Capital Equipment, Clinical Services, Signature Services, and Pharmacy contracts.

IERHA's hiring procedures are designed to maintain compliance with federal immigration legislation that requires permanent residency, citizenship, or a permit to work in Canada or the pending application for the same, and provincial legislation where IERHA must register to employ any foreign worker other than a Manitoba Provincial Nominee.

All prospective employees of IERHA including staff recruited for food and pharmacy services are recruited by advertising job opportunities on various career websites as well as the IERHA career website ("Work with Us").

Included on each job posting is the following notation: "As a condition of employment, all successful applicants will be required to provide a satisfactory criminal record check (with vulnerable sector screening) adult and child abuse registry checks prior to



commencing employment.”

On the paper copies of the IERHA Application for Employment, prospective employees are required to respond to the question “Are you legally eligible to work in Canada?” and the answer options are “Yes” or “No”. The online application process includes setting up a profile in which the first question states “Are you legally eligible to work in Canada?” and the answer options are “Yes” or “No”. The second question is “Do you require a work permit to legally work in Canada?” The answer options are “Yes - Permanent Resident”, “Yes - Hold a Work Visa”, “Yes - Hold a Study Permit”, “No”. Upon hire any applicable documentation is requested and recorded in the Human Resources Management System.

As part of the internal controls of IERHA, applicants are required to accept an acknowledgement /sign a pre-employment authorization that states that the information being provided through the application process is true and correct, that satisfactory background checks are required and if found to have misrepresented themselves they may be terminated.

The information I have reported on this application form and/or the attached resume is complete and accurate. I understand that giving incomplete, inaccurate or false information can lead to lack of consideration for this position or, if I am hired, to termination of employment at any time. If I am hired, I agree to perform all work and services assigned to me by the IERHA diligently, honestly and faithfully. I agree to obey all the guidelines made by the organization that relate to my employment. I am aware that if hired, I may be terminated without notice, or pay in lieu of notice and without just cause during my probationary period.

All new hires are required to complete a criminal records check (including vulnerable sector search, only when required), adult abuse registry check, and child abuse registry check (“Security Checks”). In IERHA’s screening processes, the age of a worker (and the corresponding obligations/restrictions for employing same under The Employment Standards Code (Manitoba) would be identified when reviewing the Security Checks. If an applicant must commence employment before the Security Checks are obtained and provided to IERHA, the letter of offer to the applicant will contain a statement that the offer of employment is conditional on the return of satisfactory security check(s), as required, and the failure to return same on or before the date specified could result in the immediate termination of employment for cause. The following language is included in the IERHA pre-employment authorization:

All positions with the IERHA are subject to a Criminal Records Check and a Child Abuse Registry Check. Costs incurred for the Criminal Records Check and Child Abuse Registry Check are the responsibility of the

***applicant.** I understand that I may not commence employment until such time that I have submitted a Criminal Record Check to the Human Resources Department of the IERHA. I further understand that if I have a Criminal Record, I may be subject to immediate termination of employment. I also understand that I am listed on the Child Abuse Registry, I shall be subject to immediate termination of employment.*

IERHA cannot prohibit employing persons that are under the age of 18 years as that would be considered age discrimination. IERHA has hiring procedures that are designed to maintain compliance with The Employment Standards Code (Manitoba) which non-exhaustively requires:

1. To not employ a person under the age of 13 years.
2. To employ a person that is 13 years or older but less than 16 years old requires a Work Readiness Certificate and/or a Child Employment Permit. The Work Readiness Certificate would certify they completed the Young Worker Readiness Certificate Program which pertains to labour rights and safety and include a signed consent of their parent to the employment.
3. To not employ a person under the age of 16 years between 11:00pm and 6:00am or for more than 20 hours during a week of school.

Forced Labour and Child Labour Risks

IERHA did not start the process of identifying parts of its activities and supply chains that contribute to its activities that carry a risk of forced labour or child labour being used in the previous financial year. As described above, SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers, but when implemented it may only affect the supply chains managed by SCMSS.

Remediation Measures/Remediation of Loss of Income

IERHA did not undertake any measures to remediate any forced labour or child labour in its activities and supply chains in the previous financial year.

IERHA had also not taken any measures 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.

Training on Forced Labour and Child Labour

As described above, three (3) basic online training modules are now available on Shared Health's learning management system, which are mandatory for all SCMSS staff and voluntary for other Shared Health or IERHA staff. SCMSS through a



subscription is also able to obtain additional training and workshops. **Policies and Procedures Assessing Effectiveness**

IERHA currently does not have policies or procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities or supply chains that contribute to its activities. As described above, SCMSS developed a scored question for its competitive bid processes that require proponents that meet the Act's definition of "Entity" to provide their public facing commitment to eliminate forced labour and child labour and steps they have taken to ensure its supply chain is free from forced labour and child labour. This scored question was implemented by SCMSS broadly for its competitive bid processes for goods and some services, but it no longer is anticipated to address the supply chains that contribute to IERHA's food services or medication compounding activities. As part of a procedure to assess its effectiveness in ensuring forced labour and child labour are not used in IERHA's supply chains, SCMSS developed and implemented a procedure for a member of its performance management team to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented.

Furthermore, as described above, SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers, but when implemented it may only affect the supply chains managed by SCMSS. The second phase is expected to include distributing a comprehensive supplier questionnaire and conducting annual risk reviews/supplier scorecards.

Other than the above, IERHA has no policy or procedure in place at this time to assess its effectiveness in ensuring forced labour and child labour are or are not being used in its activities and supply chains.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of IERHA Board Chair, attest that I have reviewed the information contained in the report on behalf of the governing body of the entity 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 within this report.

Name: Michele Polinuk

Title: Board Chair, Interlake-Eastern Regional Health Authority

Date: May 28, 2026

I have the authority to bind Interlake-Eastern Regional Health Authority