



Bill S-211 Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

Approval and Attestation

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.

Full name: Melodie Mason
Title: Headwaters Health Care Centre, Board Chair
Date: May 26, 2026

Signature: 

I have the authority to bind Headwaters Health Care Centre.

Reporting Details

Reporting entity's legal name: Headwaters Health Care Centre

Financial reporting year: April 1, 2025, to March 31, 2026

Identification of a revised report: N/A

Business number(s): 1009064

Identification of a joint report: N/A

Identification of reporting obligations in other jurisdictions: N/A

Entity categorization according to the Act: Entity

Sector/industry: Public Sector / Health Care

Location: Orangeville, Ontario, Canada

Introduction:

About Headwaters Health Care Centre

Headwaters Health Care Centre is an innovative hospital located in Orangeville; Ontario dedicated to quality patient-centred care together with our community in Dufferin County-Caledon. In addition to providing acute and complex continuing care with a 24/7 Emergency Department, and extensive Ambulatory Care outpatient services, Headwaters is accredited with Exemplary Standing by Accreditation Canada, certified as a Breast Assessment Centre by the Ontario Breast Screening Program, and began offering MRI services in 2025. Headwaters is a cornerstone of health and wellness for the communities it serves. It is one of the area's largest employers with over 800 staff, 200 physicians and six midwives and benefits from the dedication of over 200 volunteers. Headwaters is also a proud partner in the Hills of Headwaters Collaborative Ontario Health Team.

Hospital Structure:

Headwaters Health Care Centre (HHCC) is incorporated in the town of Orangeville, Ontario, Canada as a not-for-profit public hospital, designated under the Public Hospitals Act, R.S.O. 1990, Chapter P.40.

Board of Directors

As per the Public Hospitals Act, R.S.O. 1990, Chapter P.40, the Board has the unrestricted power to carry out directions in the PHA but such powers shall not contravene the provisions of any other Act.

Headwaters has a Corporate By-law relating generally to the conduct of the activities and affairs of the Corporation. The Board is the board of directors of the Corporation. In accordance with the Corporation's articles, by-laws, and the PHA, the Board consists of 14-21 directors (8-15 elected directors and 6 ex-officio non-voting directors). Subject to the by-laws, an elected director is elected to the Board for a term of 3 years and may serve for a maximum of two terms (6 years).

President and Chief Executive Officer (CEO)

The President and CEO is appointed by the Board of Directors. The President and CEO has supervision over, and direction over hospital operations, staff, volunteers and strategic direction, and such other powers and duties as from time to time be assigned by the Board of Directors. The CEO, subject to the authority of the Board, is responsible for the administration, organization and management of the affairs of the Corporation.

Activities, Supply Chain and Potential Areas of Risk

The hospital's primary business is as an acute care hospital with administrative and ancillary units which support operations. Specific business units or ancillaries identified in this section of the report sell or resell goods to the hospital community and/or public.

Goods for Resale

The hospital operates a cafeteria for staff, volunteers, physicians, patients and visitors and purchases most of their food from Sysco Canada under a HealthPRO Contract. HealthPRO Canada is a group purchase organization (GPO) that supports HHCC with contracts for our Food Service and Pharmacy departments.

During the reporting period, HealthPRO Canada took the following steps:

- Across all sourcing categories (Nutrition and Food, Capital Equipment, Support Services, Clinical Services, and Signature Services), Requests for Proposal (RFPs) issued commencing April 1, 2025, included evaluation criteria related to suppliers' commitment to addressing forced labour and child labour within their operations and supply chains. For Pharmacy contracts, this approach was implemented for RFPs issued commencing June 1, 2025.
- Suppliers were assessed based on their publicly available commitments and practices, including alignment with the International Labour Organization (ILO) indicators of forced labour. Suppliers were also asked to provide information regarding relevant policies, due diligence processes, third-party audits, monitoring activities, measurable indicators, and disclosure of any legal actions, sanctions, or fines.
- HealthPRO Canada integrates human rights and labour considerations into its procurement processes by requesting supplier disclosure on policies, practices, and due diligence related to forced and child labour. Supplier responses are evaluated as part of the RFP process, and additional information may be requested where appropriate. These responses are transparently shared with members to support informed, value-based procurement decisions.
- HealthPRO Canada's Nutrition and Food Services partner, Complete Purchasing Services (CPS), similarly expects suppliers to comply with applicable laws and maintain policies and processes related to human rights and labour standards.

HealthPRO has reviewed their contracting processes and documents and confirms:

- measurable indicators, and disclosure of any legal actions, sanctions or fines that the supplier has imposed.
- HealthPRO Canada's Nutrition and Food Services partner Complete Purchasing Services "CPS" also, strictly requires that its suppliers comply with all applicable laws, and, in addition, have multiple policies and processes to set expectations for suppliers regarding human rights and labour rights (including child labour and forced labour).

Hospital Supply Chain

The hospital conducts procurement activities in accordance with its Procurement and Tendering Policy, Supply Chain Code of Ethics as well as relevant directives and trade agreements including but not limited to the following:

- Broader Public Sector Procurement Directive
- Canadian Free Trade Agreement
- Canada-European Union Comprehensive Economic and Trade Agreement
- Buy Ontario Act

For the reporting period, the majority of hospital procurement was administered by various Shared Service Organizations (SSOs) organizations; Mohawk Medbuy Corporation (MMC) effective April 1, 2026; HealthPro, and Kinetics.

All SSOs have put measures in place to support the requirement of the Act.

Policies and Due Diligence, Remediation, Assessment of Effectiveness, and Training

Policies

Our HHCC Procurement Policy speaks to the Supply Chain Code of Ethics however, key elements to the forced and child labour Act need to be added. Further work will be needed to ensure the policy is consistently embedded into all applicable contracts on a go-forward basis.

Working with many other hospitals within our SSO's, this work is already in progress.

Potential Areas of Risk

Where MMC has administered and facilitated our procurement and supported our supply chain activities, it is understood that they will complete the due diligence for their supply chain activities and assume the risk as it pertains to forced labour or child labour. We will ensure all SSO's who procure on our behalf, will approach this in a similar manner.

Canadian businesses, or businesses with a Canadian fulfillment address form the majority of suppliers known to the hospital this fiscal year. As certificates of origin can currently only be confirmed for procurements where the hospital is the importer of record there may be potential risk for forced and/or child labour in the supply chain via direct imports.

Remediation Steps and Measures

The following steps have been undertaken by MMC during the current fiscal year:

Supplier Due Diligence During the Sourcing Process

- Many of the suppliers that respond to MMC procurements have a long history of working with our organization. When new suppliers respond, MMC thoroughly reviews their responses to the attestation and Agreement redlining to ensure that they're compliant with the Act. If MMC is advised of any suspicious activity on this front, it is thoroughly investigated. If a supplier is found to not be adhering to the law, they will be eliminated from the procurement and any future procurements until such time that they can demonstrate compliance.

Supplier Engagement

- MMC engages suppliers through annual business reviews and ad hoc communications to share our Environmental, Social and Governance (ESG) supply chain risk management efforts, including ESG risk assessments, and their compliance activities under the Act.

Formal Grievance Mechanism

- MMC is committed to supporting the highest standard of ethics in our business practices. Employees, contractors and suppliers must report any suspected irregularity as early as possible. MMC's third-party Whistle Blower Reporting Line operates 24 hours a day, seven days a week, 365 days a year. It is provided by a confidential and anonymous external service to which employees and other third parties (e.g., contractors and suppliers) may make a good faith report about suspected irregularities. The Whistle Blower Reporting Line can be accessed by MMC through our website.

Supplier ESG Risk Management

- MMC conducted a Supplier ESG Risk Assessment for the Reporting Period, which included 34 suppliers (representing approximately 70% of MMC's total contracted spend). As part of the Assessment, we reviewed supplier disclosures on unethical labour practices, environmental violations, overall regulatory compliance, as well as supply chain risk management practices and associated documentation. From the suppliers in our sampling, there were no reported violations under the Act (in accordance with their Modern Slavery report submission to Public Safety Canada). MMC intends to expand our Supplier ESG Assessment next fiscal to cover 90% of contract spend.

Supplier Standards

- A "MMC Supplier Standards" document (Supplier Code of Conduct) has been developed to further reinforce the expectations and obligations of suppliers in meeting ethical, social, environmental and governance requirements, including the elimination of forced labour and child labour. MMC's Supplier Standards are planned for implementation in 2026 and are currently undergoing legal review prior to rollout. The implementation will follow a phased approach, beginning with MMC's top suppliers.

Supplier ESG Maturity Assessment

- Delivered in the form of a supplier survey, a Supplier ESG Maturity Assessment will be implemented in the next financial year. It will be rolled out to top suppliers to gain a clearer understanding of their overall ESG performance, including supply chain risk management, and to show potential areas for advancement.

Contractual Framework

MMC includes standard contract language within the Representations and Warranties section of our Supplier Agreements that prohibits the use of forced and/or child labour:

“The goods and any services provided by the Supplier under this agreement are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada’s Fighting against Forced Labour and Child Labour in Supply Chain’s Act).”

Competitive procurement templates (e.g., RFPs) include language requiring suppliers bidding for hospital business to attest that they do not use forced labour or child labour.

“Warrants that the goods and services that the Proponent is proposing to provide to the Purchaser are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act).”

Remediation to loss of income to vulnerable families

MMC has not been made aware of any instances where forced labour or child labour exists in current supply chains, and therefore has not taken:

- Any measures to remediate forced labour or child labour.
- Any measures to remediate the loss of income to the most vulnerable families that results from forced labour or child labour.

Training provided to employees

MMC has developed ESG training that has been completed by all MMC employees, and forms part of the mandatory onboarding training for new employees. The training includes a module addressing the Fighting Against Forced Labour and Child Labour in Supply Chains Act and provides guidance on relevant contract language, emphasizing that such language must not be removed during contract negotiations.

MMC has also developed ESG training for Members, which includes content addressing the Act, and can be used by Members for employee training and compliance purposes.

More training will be developed in the next financial year to enhance the current training modules and provide further education to our Strategic Sourcing teams on supplier risk management best practices. These training resources will be available to our Members to use and support their efforts in meeting the requirements of the Act.

