



Lennox and Addington County
General Hospital

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAIN ANNUAL REPORT

Financial Year April 01, 2023 – March 31, 2024



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Introduction

This Report has been prepared for Lennox and Addington County General Hospital (“LACGH”) in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”) in relation to the fiscal year from April 01, 2023, to March 31, 2024.

This Report was developed following consultation with the LACGH Senior Leadership Team (“SLT”) and personnel from Mohawk Medbuy Corporation (MMC), and outlines actions taken by LACGH during the fiscal year to prevent and reduce the risk of forced and/or child labour within its operations and supply chains.

LACGH is committed to respecting human rights as a fundamental principle in our operations.

This Report has been approved by LACGH’s Board of Directors.

Structure, Activities, and Supply Chains

Structure

LACGH is a small rural community hospital in Napanee, Ontario, governed by the *Public Hospitals Act*, which regulates the operation of public hospitals within the province.

LACGH was incorporated under the laws of Canada under the *Corporation Act 1953*, and registered May 8, 1959 and was continued under the Ontario *Business Corporations Act* (“OBCA”). The registered corporate office of LACGH is 8 Richmond Park Drive, Napanee ON K7R 2Z4.

LACGH employs approximately 330 staff, 51 active/associate physicians, and more than 100 consulting/locum physicians with an operating budget of approximately \$53M. There is a Chief Executive Officer (“CEO”) and Senior Leadership Team (“SLT”) reporting to an independent Board of Directors.

Additional information about LACGH, including its annual reports and governance is available at <https://web.lacgh.napanee.on.ca/>

Activities

LACGH strives to fulfill its vision of ***working together to build a healthy community*** through teamwork, partnership, and the support of our community.



LACGH offers a full range of health care services to Greater Napanee and the surrounding communities, including:

- Emergency Care, Acute Care Unit and Intensive Care Units
- Day Surgery,
- Internal Medicine,
- Convalescent Care, Long Term Care,
- Diagnostic Imaging,
- Palliative Care Program,
- Various Ambulatory Care Out-Patient Clinics,
- In house patient and retail food services.

LACGH sells health care related goods such as crutches as needed. LACGH owns commercial property and leases space to medical professionals and other community based organizations. LACGH operates a care home providing supportive living services to qualifying seniors. Additionally, LACGH owns two residential properties. To support operations, LACGH handles many construction projects in-house.

Supply Chains

LACGH's supply chain activities include purchasing a broad range of goods and services from international, national, regional, and local suppliers.

LACGH participates in a third party shared service agreement (“SSA”) with Mohawk Medbuy (“MMC”) to ensure sustainable procurement of supplies require to fulfill its business activities. MMC’s purchasing power allows better contracts, terms and pricing with vendors. MMC manages our RFP and Contracts to ensure a competitive procurement process and complies with relevant legislation and ethical business practices. As an entity under the Act, MMC is subject to its own reporting obligations.

Purchases made outside the SSA are limited and may utilized local vendors, as is the case when purchasing fresh produce locally to support food services.

LACGH has a Senior Vice-President/Chief Operating Officer overseeing Finance and a Vice-President responsible for Procurement, supported by an in-house buyer. Purchase decisions may also be made by individual managers or directors either through MMC or other vendors, following hospital policy on a case-by-case basis.

Items procured by LACGH fall into the following categories:

Equipment

Including medical, mechanical, operational support sundries, office, infrastructure, and safety equipment.



Supplies

Including medical, mechanical, operational support sundries, office, infrastructure, and safety supplies.

Services

Including agreements for maintenance and repair on equipment procured by LACGH. Construction services for maintenance, repair, and development of the hospital's infrastructure (Ex. plumbing, electrical, mechanical, and other trades as required). Recreational services for resident activities at Supportive Living, grounds keeping services, including snow removal, waste management and disposal, battery disposal and Security services.

Policies and Due Diligence

There are several policies, processes, and practices across LACGH to drive ethical behaviour by all staff, volunteers and physicians. *There are **no specific policies or processes** in place designed to **directly** address the issue of forced labour or child labour in the supply chain.*

Policies

LACGH's human resources, finance, and quality and risk departments are among those that ensure compliance with laws and internal policies. Policies in place include *Code of Ethical Conduct, Workplace Violence and Harassment Prevention, Board Conflict of Interest, Group Purchasing, Procurement, Signing Authority and Staff Reporting and Whistleblowing Protection*. These policies promote legal and ethical business practices within our operations, and our supply chains.

Code of Ethical Conduct

Our *Code of Ethical Conduct* creates and maintains a culture of integrity establishing guidelines that clearly outline expectations for all. This is the foundation for our organizational culture that fosters a positive environment optimizing patient care, quality and safety.

Workplace Violence and Harassment Prevention

Commits LACGH to providing a workplace that is safe, healthy, supportive, secure and respectful of each individual. It provides a working environment in which all individuals are treated with respect and dignity in accordance with applicable



legislation including the *Ontario Human Rights Code* and the *Occupational Health and Safety Act*.

Board Conflict of Interest

Our *Board Conflict of Interest* policy maintains the integrity of the decision-making processes of the Board of Directors by ensuring the fiduciary duty of Board members and other directors to be free from conflict or potential conflict in their decision making.

Group Purchasing

Commits LACGH to ensure that Materials Management purchasing practices conform to best practice standards with full consideration of all legislative requirements respecting procurement.

Procurement

Identifies that MMC as the primary contracting agent for procurement of goods and services (with some exceptions) on behalf of LACGH and will utilize Group Purchasing Organizations (“GPO”s) where appropriate in addition to government mandated purchasing arrangements (i.e. certain pharmaceuticals). Other exceptions to this include construction and property contracts managed by the hospital’s Capital Planning, Facilities Management and Support Services departments, employment contracts managed by Human Resources, corporate agreements managed through the office of the Chief Operating Officer (or other Senior Executive) (funding agreements with Ministry of Health and Ministry of Long-Term Care, affiliation agreements, data sharing agreements, banking), physician and education learning agreements, and share or purchased service agreements.

Signing Authority

This policy commits LACGH to the control of expenditures through the application of spending authority limits for various management positions balancing effective control and aligning authority and accountability.

Staff Reporting and Whistleblowing Protection

The *Staff Reporting and Whistleblowing Protection* policy commits LACGH to the highest standards of professional, ethical and legal behaviour on the part of its employees, medical staff, volunteers and students and reflects the strong whistleblowing protections contained within the *Fixing Long-Term Care Homes Act*. It establishes internal and external confidential reporting processes. Any disclosures reported are investigated in a timely and sensitive manner. Disclosures may be made to a person’s supervisor, manager or director, Human Resources, the office of the Chief Executive Officer and/or the Ethics Committee. Disclosures may be made



externally as directed by relevant legislation including the *Fixing Long-Term Care Act* and the *Public Hospitals Act*.

Due Diligence

Operations

LACGH is committed to respecting the dignity and respect of all people, and complies with all *Human Rights Code*, employment, labour laws and their associated regulations. LACGH does not utilize forced or compulsory labour and forbids child labour in our workforce.

All of our employees are above the legal minimum employment age in Ontario and are recruited and provided with working conditions and the payment of wages and benefits that comply with applicable laws and regulations. All employees must be 18 years of age at minimum.

A majority of our employees are highly skilled and trained professionals including nurses, allied health professionals, support services, maintenance and administrative staff. The majority of our workforce is represented by a trade union with their terms and conditions of employment negotiated and outlined in a collective agreement.

We believe that the risk of forced labour and/or child labour among our personnel is exceptionally low.

Supply Chains

As above, LACGH is a member of MMC and relies on their processes, procedures and due diligence to manage and oversee its supply chain activities. As a reporting entity under the Act, MMC is required to fulfill its own reporting obligations to ensure it is in compliance with all applicable laws and regulations.

MMC confirmed its compliance with the Act in a letter to member organizations dated March 13, 2024 including actions MMC had undertaken during the reporting period to reduce the risk of forced and/or child labour. These actions include, but are not limited to:

- Modified standard contract language to include the following in Representation and Warranties which the successful supplier/vendor must agree to: *“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.”*



- Modified competitive procurement templates (e.g. RFP), to include language that suppliers/vendors bidding for Hospital business must attest to the following:
“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.”

MMC advised its members that it has not been made aware of any instances where forced labour and/or child labour exists in current supply chains, but should such instances become known, MMC will inform its membership.

MMC formalized its commitment to sustainability and Environmental, Social, & Governance (“ESG”) practices through the creation of a dedicated ESG team. This group is responsible for program development to ensure MMC’s ongoing sustainability, and to support its members as an enabler of a cohesive, sustainable health care supply chain.

Supply Chain Risks

With the enactment of the Act, LACGH has become aware of the need to reduce the risk of forced labour and child labour in supply chains. LACGH has not developed a plan, nor taken any *specific* steps to identify, prevent or reduce the risk that forced labour or child labour is used at any steps in the production of goods in Canada or elsewhere during the reporting period.

LACGH has not developed a plan, nor taken any *specific* steps to identify, prevent or reduce the risk that forced labour or child labour is used in any aspects of its activities related to the sectors or industries in which LACGH operated during the reporting period.

Remediation Measures

LACGH has not taken any steps to identify instances of forced labour and/or child labour in our operations or supply chains during the reporting period. In the event that LACGH is informed of, or discovers, the potential or confirmed presence of forced and/or child labour in its operations or supply chains, LACGH will ask the relevant company to investigate and take appropriate remedial measures.



Loss of Income

LACGH has not taken any steps to identify instances of forced labour and/or child labour in its operations or supply chains. Therefore no measures were undertaken to remediate the loss of income to the most vulnerable families who could potentially be impacted by remediation efforts.

Training

LACGH provided awareness materials on the Act to the following groups/persons during the reporting period:

- Senior Leadership Team

Assessing Effectiveness

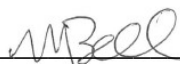
LACGH has not yet undertaken any measure or metrics to assess its effectiveness in ensuring that forced/child labour are not being used.

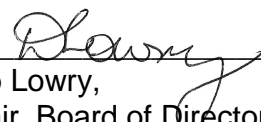


Approval and Attestation

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.

I have the authority to bind the corporation:

 May 7, 2024
Mike Bell, Date
President & Chief Executive Officer

 May 7, 2024
Deb Lowry, Date
Chair, Board of Directors