Fighting Against Forced Labour and Child Labour in Supply Chains Act

Report for year ended March 31, 2024





THE UNIVERSITY OF BRITISH COLUMBIA

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Acknowledgement of Host Nations

We respectfully acknowledge that the University of British Columbia (UBC) Vancouver campus is situated within the traditional, ancestral and unceded territory of the x^wməθk^wəýəm (Musqueam).

We respectfully acknowledge the Syilx Okanagan Nation and their peoples, in whose traditional, ancestral, unceded territory UBC Okanagan is situated.

Acknowledgements

Thank you to all those who worked on this report.

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Message from the President & Vice Chancellor

The University of British Columbia recognizes the importance and urgency of eradicating forced labour and child labour from global supply chains, in alignment with human rights and fundamental freedoms.

As an institution deeply rooted in shaping a better world since 1915, UBC supports the goals of The Fighting Against Forced Labour and Child Labour in Supply Chains Act, that came into effect on January 1, 2024, to implement Canada's international commitment to combat forced labour and child labour.

This report outlines the initiatives undertaken during the fiscal year from April 1st, 2023, to March 31st, 2024, to identify and assess risks associated with forced labour and child labour within our own supply chains, as well as forthcoming actions. We will be collaborating with our industry partners, governmental bodies, and non-governmental organizations in tackling these challenges.

Through the next fiscal year and beyond, we will continue raising awareness and engaging in initiatives to identify risks in our supply chain and identify and develop mitigation strategies. UBC is committed to meeting the requirements of the Act through supply chain monitoring and evaluation, while maintaining ethical standards and social responsibility.

Dr. Benoit-Antoine Bacon President & Vice-Chancellor

(Jmn)A/Sm

The report covers the following period: 1 April 2023 to 31 March 2024

The report was signed off by: Benoit-Antoine Bacon





Attestation Letter: Board of Governors approval

This report has been prepared pursuant to the Fighting Forced Labour and Child Labour in Supply Chains Act, SC 2023, c 9 and outlines UBCs acknowledgement of the Act and the requirements to identify, assess and remediate risks of forced labour and child labour in its supply chains.

The Board (or equivalent management body) approved this report on May 10, 2024.

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 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 University of British Columbia.

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Name: William Sundhu Title: Interim Chair, UBC Board of Governors Date: 17 May 2024



University Structure

Overview

The University of British Columbia is a world-leading centre for teaching, learning and research with campuses situated in Vancouver and in Kelowna in the Okanagan Valley. UBC is committed to relationships with its host nations, Musqueam and Syilx Okanagan. The university has 26 faculties and schools and it is affiliated with several research institutes, centres, organizations, and hospitals. 71,201 students in undergraduate and graduate programs are supported by 20,828 faculty and staff.

The most established and influential global rankings all consistently place UBC in the top five per cent of universities in the world.



6th in Reduced Inequalities

UBC ranks sixth in the world for taking action toward reducing inequalities. This SDG universities' research on social inequalities, their policies on discrimination and their commitment to recruiting staff and students from underrepresented groups.

UBC'S INSTITUTIONAL RANKINGS

	THE 2024	ARWU 2023	QS 2024
World Ranking	41st	44th	34th
Canada Ranking	2nd	2nd	3rd

(THE) Times Higher Education World University Rankings, (ARWU) Shanghai Ranking Academic Ranking of World Universities, (QS) QS World University Rankings

UBC ranked 41st in the 2024 Times Higher Education World University Rankings. In the 2022 Impact Rankings, which assess universities' social and economic contributions based on their success in delivering on the United Nations Sustainable Development Goals, UBC ranked second in Canada overall and 13th globally out of more than 1,600 participating institutions. Source: <u>UBC's Institutional Rankings - The University of British Columbia</u>

The governance of The University of British Columbia is balanced between the Board of Governors and the Senates and flows through the President's Office to the portfolios of the Vice-Presidents. The Board of Governors manages the university's administration, property, and business affairs, and has representation from each of the university's Vancouver and Okanagan campuses. The Senates, balanced with elected and non-elected members, administer the university's academic matters. The Chancellor serves as the titular head of the university, presides over all major ceremonies, and is an ex officio member of the Board of Governors, the Senates, and the Council of Senates. This bicameral governance structure is as per the University Act, R.S.B.C. 1996, c.468.

Operations

The role of the President provides oversight and direction for the operation of the university, in accordance with the strategic framework and directions of UBC's governing bodies, the Board of Governors and the Senates. The President is responsible for leading the Administration, developing, and implementing budgets and strategic plans for the university, reporting to the Board, and for external communications as the spokesperson of the university, including preparing an annual report. The university's organizational structure can be accessed on the <u>ubc.ca website</u>.

The Finance & Operations portfolio oversees a \$3.4 billion operating budget, a \$2.8 billion endowment, and all university facilities on both campuses. The portfolio is also responsible for managing UBC's

infrastructure, building operations and ancillary businesses. The nine divisions of the VP Finance & Operations (VPFO) portfolio are responsible for the stewardship of UBC's physical and financial assets. While each has a defined purpose, all our divisions work cohesively to deliver exceptional service to the university. Finance delivers on UBC's commitment to financial accountability and transparency.

The Deputy Vice-Chancellor and Principal is UBC Okanagan's senior administrator and is a core member of UBC's executive leadership team.

The Provost and Vice-President Academic for each campus provides leadership in planning, policy development and management of resources to achieve UBC's academic strategic goals.

The Office of the Vice-President, Research and Innovation and its portfolio units help to coordinate and provide the environment to pursue world-leading impactful research.

The Office of the University Counsel is staffed by a team of lawyers and other professionals who report to the University Counsel and is responsible for all the legal affairs of UBC, with the exception of labour and employment matters.

The University of British Columbia is a corporation continued under the University Act, R.S.B.C. 1996, c.468.

Research

Research is a central component of UBC's mandate as a public university. The Vice-President Research & Innovation supports UBC research activities and the work of UBC researchers with strategic information, resources, and tools. The Office of the Vice-President, Research and Innovation (VPRI) and its portfolio units help to coordinate and provide the environment to pursue world-leading impactful research. In partnership with its sister office at the Okanagan campus VPRI provide UBC researchers with strategic information, resources, services, and tools to support their work from writing grants through to generating impacts and to provide strategies for major research and innovation initiatives.

Students

The Vice-President Students is responsible for shaping the student experience in graduate and undergraduate programs and learning environment for undergraduate and graduate students attending UBC, and actively supports the University's strategic commitments through a focus on improving the student experience across all of them. The portfolio also liaises on behalf of the university with student governments and select groups that represent and support students.

Supply Chains

UBC is committed to raising awareness, identifying, evaluating, and engaging in activities to develop mitigation strategies related to child labour and forced labour risks in our supply chain. The UBC supply chain is broad and diverse. To date, in compliance with public procurement regulations, in the fiscal year 2024 UBC spent \$1.85 billion* with 29,202 suppliers across 107 countries with 1.88 per cent spent outside of Canada and the United States (US).

F24	Canada & US	Countries (excluding Canada & US and expense reimbursement)	Total
Spend*	\$ 1,814,915,728.57	\$ 34,719,778.26	\$ 1,849,635,506.83
Suppliers Paid	27,637	1571	29,202

* All dollar figures in this report are in Canadian dollars

Assessment of Risks of Forced Labour or Child Labour

UBC is using the Global Slavery Index (GSI) to identify the risk level of each country. GSI has rated 180 countries, and UBC has F24 spending in 107 of the countries. Of the countries identified by GSI as high-level risk, UBC has identified F24 spending in four (4) and the identified spending is limited to \$266,610.81 or 0.14 per cent with \$0.00 of spending in these high-risk counties related to the purchase of goods.

	10 Countries with alence of forced labour	UBC Spend (services)	UBC Spend (goods)	GSI Prevalence Rating
1	North Korea	\$0	\$0	104.6
2	Eritrea	\$0	\$ 0	90.3
3	Mauritania	\$0	\$ 0	32
4	Saudi Arabia	\$ 12,344.17	\$ 0	21.3
5	Türkiye	\$ 44,741.57	\$ 0	15.6
6	Tajikistan	\$0	\$ 0	14.0
7	United Arab Emirates	\$ 208,476.76	\$ 0	13.4
8	Papua New Guinea	\$ 1,048.31	\$ 0	10.3
9	Russia	\$ O	\$ O	13.0
10	Afghanistan	\$0	\$ O	13.0
Total		\$ 266,610.81	\$0	

For the reporting year, the mapping of the supply chain began. Activities included geographical risk mapping, product risk identification and mapping with the goal of identifying the level of risk for importing goods from high-risk countries and the value of goods with a high-level risk of forced labour and child labour in their production and importation. Although the likelihood of forced labour and child labour risks

within our direct activities related to the importation of goods appears low, we acknowledge the potential risks associated with the goods and services procured from supply chains worldwide.

To provide positive impact, UBC has set ethical performance expectations for suppliers of goods, developed a Strategic Equity and Anti-Racism Framework, and formed a cross-functional working group to address the issues related to forced labour and child labour in global supply chains. We recognize there may be hidden risks of forced and child labour associated with our direct and indirect supply chains, and we are focusing our future efforts on trying to understand, investigate and address those risks.

UBC has direct relationships with thousands of suppliers in our supply chain. The majority of the spend within high-risk commodity categories as identified by the GSI such as electronics, garments, textiles, gold, sugar cane, coal, palm oil, and coffee is with large Canadian- and US-based companies where UBC is the importer of record. Our approach to managing the risk associated with these products is through the UBC Supplier Code of Conduct, supplier management, and ensuring appropriate questions around fair and transparent supply chains are asked through all stages of the sourcing and contracting processes.

UBC has a <u>Supplier Code of Conduct</u>, accessible on the university's website, delineating the ethical performance standards expected of suppliers providing goods, services, or equipment to the university of British Columbia. It supports the four (4) Financial Operations Principles of Sustainability — leadership, social inclusivity, environmental stewardship and accountability including both child and forced labour among many other ethical performance expectations. The goal of the SCC is to ensure safe and healthy workplaces for the people who make products or provide services for the university — where human and civil rights conditions are in accordance with the core labour conventions of the International Labour Organization (ILO).

All of the University of British Columbia suppliers and their subcontractors are required to adhere to the Supplier Code of Conduct. It is a contractual requirement and part of the PO terms and conditions. Throughout the fiscal year 2025, UBC will persist in advancing our analysis of supply chain risks and remediation measures, aiming to fortify our supply chains and enhance their resilience through the cross-functional working group formed to identify, assess, and address risks related to forced labour and child labour within our supply chains.

The <u>Strategic Equity and Anti-Racism (StEAR) Framework</u> is a community-engaged, data-informed, actionoriented, and accountability-driven planning tool that guides UBC's approach to implementation of equity and anti-racism priorities and evaluation of progress towards that goal. The framework is built around four broad institutional domains of change—structural, curricular, compositional, and interactional change. Work in these areas follows data-informed decision-making and continuous improvement.

UBC continues raising awareness, and working on identifying, monitoring, and evaluating risks related to child labour and forced labour along its supply chain.

Policies and Due Diligence

UBC's Board of Governors develops and approves policies for the University that provide direction on specific topics and issues, along with procedures and standards for compliance. Some of the policies are listed in the table below.

Policy/ Process	Principle
Regulatory Framework for the Administration of Board Policies and Procedures	Defining and setting out the framework for the development, review, repeal, approval, and communication of Board Policies. The Board has responsibility for UBC's property, revenue, and business affairs.
Employment Equity Policy	Prioritizing individual merit in the treatment of current and prospective faculty and staff, eliminate discriminatory obstacles to career development, broaden the applicant pool to reflect diversity, and establish a workforce representative of traditionally underrepresented groups, including women, Indigenous peoples, individuals with disabilities, and racialized persons.
Research Policy	Setting out the responsibilities and standards required of UBC Persons involved in research and to articulate the authority, requisite processes, and requirements surrounding various aspects of research activity undertaken by UBC and UBC Persons.
Human Research Policy	Fostering a research environment at the university where ethical responsibilities toward human participants are met at the highest standards, raise awareness of these standards among university members, articulate the Tri-Council Core Ethical Principles consistently with the latest Tri-Council Policy Statement and international best practices, and implement an independent research ethics review process.
At-Risk Behaviour Policy	Outlining procedures for the UBC community to follow when faced with At- Risk Behaviour, which includes behaviour that threatens personal safety or property, or disrupts lawful or legitimate activities on UBC premises.
<u>Corporate Strategic</u> <u>Partnerships Guidelines</u> <u>Process</u>	Framework to promote strategic partnership opportunities and assist the Board of Governors, the University administration, and potential partners in devising, reviewing, and sustaining strategic partnership opportunities.
<u>UBC Bookstore</u> <u>Sustainability</u>	Sustainable practices and values, such as seeking out locally made products and supporting fair labour (e.g., requiring suppliers to be members of the FLA etc.) and brands with CSR programs.
Sustainable food	Setting out the standards, vision, mission, and values of UBC Food Services, including providing socially and economically conscious experiences, supporting the right of all people to healthy and culturally appropriate food produced through sustainable methods. Prioritizing in- house food preparation, emphasizing the use of local food, utilizing Fair

	Trade [™] and ethically sourced products, and partnering with Ocean Wise [™] .
UBC Vancouver Climate Action Plan 2030	Setting out the targets, actions, and strategies to achieve net zero emissions for buildings and energy supply, as well as a reduction in greenhouse gas emissions. This plan also recognizes climate justice to ensure an equitable approach.
Strategic Equity and Anti-Racism Framework	A community-engaged, data-informed, action-oriented, and accountability- driven planning tool that guides the university's approach to implementation of equity and anti-racism priorities and evaluation of progress.

When doing business with UBC, the University selects suppliers through a transparent and nondiscriminatory practice, in compliance with public sector procurement practices. (<u>Doing Business with UBC</u> <u>UBC Finance</u>) A competitive tender ensures that the procurement of goods, services and construction works is fair, equitable, transparent, and competitive. (<u>Competitive Tender | UBC Finance</u>)

The <u>Supplier Code of Conduct (SCC)</u> at UBC aims to maintain a safe and healthy supply chain and workplaces for individuals involved in producing or providing services for the institution. It strives to ensure that human and civil rights conditions align with the core labor conventions established by the International Labour Organization (ILO). This is achieved by establishing ethical performance standards for suppliers of goods, services, or equipment to the university.

With regards to child labour, the University suppliers, and their sub-contractors:

- will not use child labour, as that term is defined in the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada).
- where a child worker must be displaced, adult family members should have the opportunity to assume the child's position in order to maintain family earnings.

With regards to forced labour, the University suppliers and their sub-contractors will not:

• in the manufacture of our products, and in the procurement of the materials and parts incorporated into our products, use forced labour, as that term is defined in the <u>Fighting Against Forced Labour</u> and Child Labour in Supply Chains Act (Canada).

Furthermore, suppliers and their subcontractors associated with the university are expected to:

- treat workers with respect and dignity. No employee shall be subject to any form of physical, sexual, psychological, or verbal harassment or abuse.
- ensure workers are free to express their concerns about workplace conditions without fear of retribution of losing their jobs. Workers should have access to a formal avenue to express concerns directly to factory management or University representatives.

The SCC criteria is incorporated into the contract award process. It is mandatory for all University suppliers and their subcontractors/suppliers to adhere to the SCC. Suppliers are responsible for ensuring that their subcontractors comply with the SCC. The university expects all suppliers to comply with its Supplier Code of Conduct and actively work towards meeting its standards. Additionally, the university retains the right to request evidence of compliance with labor, health, safety, and environmental regulations, potentially including inspections or independent verification. Suppliers are required to maintain comprehensive records to substantiate adherence to the SCC, which may undergo independent verification at their own cost. Source: Supplier Code of Conduct | UBC Finance

Suppliers and their subcontractors associated with the university must adhere to the national and other relevant laws of the country where the products are manufactured. This includes laws concerning labor, worker safety, and environmental protection. In cases where both the law and the Supplier Code of Conduct address the same issue, the more stringent provision will take precedence.

Training

UBC acknowledges the importance of awareness training for procurement staff and their activities in relation to the Fighting Against Forced Labour and Child Labour in Supply Chains Act S.C. 2023, c. 9. UBC is developing a strategy for providing UBC procurement staff with training that empowers them to consider, identify and evaluate risks of forced and child labour in supply chains and to position UBC staff as leaders in ethical procurement operations. Additionally, addressing risks associated with the supply chains of our top suppliers will be a focus for the University. UBC aims to work with existing suppliers to dialogue on any commodities and business areas where risks of forced labour and child labour may be present.