



Forced Labor in Canadian Supply Chains

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Introduction

This report is Holland College's ("College") 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 entities covered in this statement are Holland College (business number: 107485633), Atlantic Tourism and Hospitality Institute Inc. (business number: 899566764) and PEI Institute of Adult and Community Education (business number: 867257065). As we reference Holland College throughout this report, we are also referencing its two wholly owned subsidiaries.

Holland College meets the Entity definition of the Act as it has a place of business in Canada, does business in Canada, has assets in Canada and meets the threshold for revenue, assets, and employees. Holland College also meets the definition of Reporting Entity as it sells goods in Canada and imports into Canada goods produced outside of Canada.

Holland College is a body corporate established by the Holland College Act and 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.

1. Structure, Activities and Supply Chain

Holland College, Prince Edward Island's community college, was established in 1969 under a mandate from the Province and as part of a re-organization of post-secondary education. The Holland College Act states that the object of the College is to provide a broad range of educational opportunities particularly in the fields of applied arts and technology, vocational training, and adult education. The Act also stipulates that the College shall be governed by a Board of Governors, the membership of the Board, and the powers and responsibilities of the Board and the President. Holland College also has two wholly owned subsidiaries: Atlantic Tourism Hospitality Institute Inc. and the PEI Institute of Adult and Community Education.

In its commitment to providing life-long learning opportunities, the College offers relevant, practical training for its students who are from the Island's community, other parts of Canada and countries around the world. Holland College has over 2,400 full-time post-secondary students in more than 60 post-secondary programs at 13 campuses and delivery sites across the province. Additionally, it has 1,200 Chinese students enrolled in partner institutions at 14 locations in China. The College employs approximately 800 people.

Unique among Canadian community colleges, approximately 50% of PEI-based post-secondary students came from out-of-province in 2023/24. 32% of Holland College's student body is comprised of international students with highest enrollment from the following countries: India, Nigeria, Philippines, Nepal, Bahamas, and Mexico. In addition to post-secondary students, Holland College serves more than 800 language instruction students, over 650 adult education learners and over 2,500 adult learners in continuing education programs and customized training.

In addition to assisting in developing and maintaining a skilled workforce in PEI, the College plays a pivotal role in developing the economies of the Maritime provinces through several programs that are not provided by any other institution in Atlantic Canada. College centres are based in Charlottetown, Summerside, Georgetown and Alberton. The College also includes the Atlantic Police Academy located in Slemon Park, the Marine Training Centre in Summerside and the Culinary Institute of Canada located at the Tourism and Culinary Centre in Charlottetown. The College has close links

with numerous organizations and institutions and established academic partnerships with the University of Prince Edward Island and other institutions both locally and internationally.

The North American Industry Classification System (NAICS) Canada 2022 Version 1.0 was used to classify the sectors applicable to Holland College's operations, supply chain and related activities.

Holland College operates in the following sector, sub-sector, and related industry group:

- (61) Educational services, (611) Educational services, (6113) Colleges, Universities and Professional Schools

Holland College's primary function is to deliver post-secondary education; however, it also operates a bookstore, cafeteria, and restaurant. Approximately 64% of the College's total expenses relate to salaries and employee benefits, including a defined benefit pension. Approximately 10% of expenses come from consumable goods that are used by students as part of training, general office supplies and resources for staff, or are available for re-sale via the bookstore, cafeteria, and restaurant. The College's supply chain is comprised of approximately 948 vendors based in two jurisdictions: Canada and the United States. 99% of Holland College's suppliers are Canadian. The College's procurement policy states that Canadian suppliers are to be used where possible. The College also imports goods produced outside Canada and sells goods in Canada through its cafeteria, restaurant, and bookstore.

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

For this reporting period, Holland College did not have any provisions within existing policies or processes specific to forced or child labour. In 2024, the College will undertake efforts to determine what specific changes, if any, to its policies and processes may help to further address potential risk related to forced or child labour in its supply chain.

Despite this, Holland College has several policies, regulations, processes, and procedures that govern its relationships with suppliers and establish expected behaviour and professional conduct of its employees. "College employee" refers to any employee, including but not limited to, all academic employees, support staff, administrators, individuals on secondment to the College, individuals under a Personal Service Contract and any other individuals in the employ of the College or coach of the College.

Holland College has high standards of conduct among its employees given their importance in maintaining public integrity and confidence in the College, and in maintaining integrity and confidence in the employment relationship. Holland College believes that several fundamental principles and standards of proper conduct in the College community can be defined and accepted by all employees. The violation of these principles or standards would clearly establish a situation of ethical conflict.

Employee Code of Ethics and Conduct

Holland College has a robust Employee Code of Ethics and Conduct ("the Code") that covers the following areas: Accountability, Service to Stakeholders, Professionalism, Conflict of Interest and Conflict of Commitment, Confidentiality, Respectful Learning and Work Environment, Health and Safety, and special considerations for instructional staff including but not limited to a defined compliance procedure and reporting of misconduct.

The Code contains provisions which address dealing with foreign governments and international organizations to ensure that all activities comply with Canadian legal requirements. In addition, the Code contains an accountability provision which states that employees will not participate or be associated with dishonesty, fraud, deceit, or misrepresentation.

- *Provision 1) 1.1 f) - College employees shall exercise due diligence in all dealings with foreign governments, agencies, officials, and other international organizations. All cross-border agreements, recruitment activities, partnerships involving international research and/or academic programs will serve the interests of both Holland College and the local host community or country. College employees will ensure that activities within foreign countries comply with all legal requirements (Canadian, international and those of the host country), regulations and established College policies and processes.*
- *Provision 1) 1.1 a) - College employees will not participate in, condone, or be associated with dishonesty, fraud, deceit, or misrepresentation.*

Effective November 19, 2007, all new employees are expected to sign-off in their Offer of Employment that they agree to be bound by all policies, regulations, processes and procedures of the College. The offer expressly identifies acceptance of two administrative regulations: the Employee Code of Ethics and Conduct and the Acceptable Use for Computing Resources at Holland College. Additionally, New Employee Checklists outline a respectful learning and work environment and sexual violence protocol. Both checklists require acknowledgement from new employees when onboarding.

Occupational Health and Safety

Holland College values the health and safety of all students, employees, and other individuals on college premises. It is the policy of the College to protect and promote the health and safety of all students, employees, and other individuals and to take every reasonable precaution, to ensure that the College premises are safe and healthy for all who come into contact with the College.

Holland College abides by The Occupational Health and Safety Act and accompanying regulations of the Province of Prince Edward Island. Where it is in the interest of occupational health and safety, the College may exceed the requirements prescribed by legislation.

Holland College holds all levels of program and administrative management responsible for implementing this policy, for developing and implementing an occupational health and safety program specific to each workplace and for ensuring that each workplace is in compliance with the Occupational Health and Safety Act and Regulations.

Procurement

The Holland College Purchasing Department is responsible for implementing the procurement policies, guidelines, and procedures of the College in accordance with the best interests of the College and the community in which it serves. The Vice President, Corporate Services, Strategic Development, and Stakeholder Relations is accountable for the purchasing function and the Purchasing Officer is responsible for its efficient operation. The Directors, Executive Directors and Unit Coordinators are responsible for the effective operation of the purchasing system in their areas of responsibility. The Purchasing Officer and those with College signing authority are the only persons authorized to issue an official purchase order and are the only people with authority to commit Holland College to a purchase, rental, or lease agreement over the value of \$200.

The Department recognizes the economic benefit to the community of sourcing products and services locally. To this end, the College strives to increase the amount of money spent locally while still attempting to secure the best overall

price. While Holland College's Procurement Policy does not mention forced or child labour, it does have provisions designed to limit the use of international suppliers. The Policy contains two relevant provisions in this regard:

- *'the College will patronize local suppliers provided that specifications are met and prices are competitive'; and*
- *'the College will strive to increase the amount of money spent locally while still attempting to secure the best price overall'.*

Holland College's Procurement Policy covers the following areas: Requisition use, Purchase Orders, Local Purchase Orders, Inventory, Customs Transactions, Petty Cash, Ordering of Goods and Services, Purchasing Conditions, Food Supplies, Supply Agreements, Tenders and Unsatisfactory Receipts.

Environmental Policy

As an educational institution and community organization, Holland College has a responsibility to maintain and protect the environment and the natural resources it is privileged to use. As per Board Policy 20-05, the College is expected to operate in a responsible manner consistent with principles of environmental sustainability and resource utilization and has implemented practices and procedures that support sound environmental management, conservation of resources and sustainable development.

As part of Administrative Regulation 20-04-1, Holland College is expected to:

- manage all aspects of operations to meet recognized environmental standards and legal requirements,
- manage operations to promote environmental protection and sustainable development where feasible,
- work with industry, government, public groups, and the College community to determine environmental priorities,
- communicate with all stakeholder groups, in a regular and candid fashion, on the environmental aspects of our policies and operations,
- encourage all employees to be conscious of environmental considerations and to be protective of the environment,
- develop and implement a procurement procedure which would encourage the procurement of products and services from suppliers who have a demonstrated commitment and capacity to produce those products and services in an environmentally responsible manner,
- endeavor to ensure every graduate of Holland College has received environmental awareness and resource utilization education, and wherever feasible, environmentally responsible training relevant to their chosen field of study or career path.

Supplier and affiliates/subcontractors are expected to conduct their services and operations in a way that limits the impact on the environment and complies with all applicable laws and regulations in the countries in which they operate. To this end, Holland College's Procurement Policy contains a provision that states:

- *'The College will endeavor to use environmentally friendly products and suppliers.'*

Quality Policy

As part of meeting its vision ("Inspiring Today. Creating Tomorrow"), mission ("empowering diverse, student-focused learning, strengthening communities and supporting future prosperity") and values (innovation, applied learning, inclusion, engagement, environmental responsibility, and inspiration), Holland College has adopted a structured quality program that satisfies requirements outlined in ISO 9001:2015.

This ensures that College processes are designed and implemented to address risk and opportunities and ensures the College environment is a place where improvement initiatives are encouraged and welcomed. Furthermore, it ensures that measurable and realistic quality objectives are established annually, communicated to all staff and are evaluated, reviewed and revised (as needed) on an ongoing basis.

3. Identification of Risks

To understand where in the supply chain forced or child labour risks may exist, Holland College recently carried out a risk assessment process. This process was guided by insights provided by the Walk Free Global Slavery Index, the OECD Due Diligence Guidance for Responsible Business Conduct, and by the US Department of Labor’s List of Goods Produced by Child Labour or Forced Labour. In conducting our supply chain forced and child labour risk analysis, Holland College was able to highlight potential risks of forced or child labour associated with certain countries.

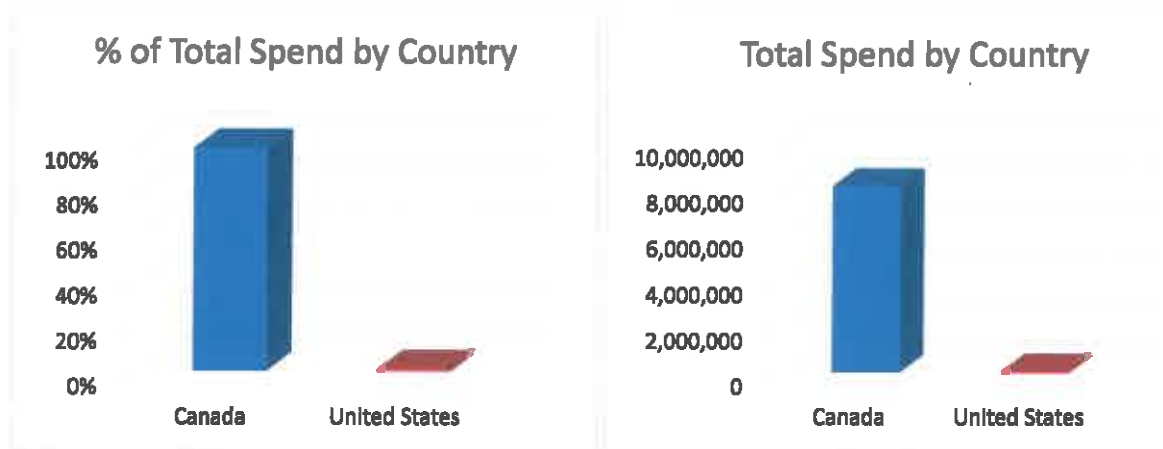
This risk assessment does not presuppose the actual use of forced or child labour within Holland College’s operations or supply chain, rather, it is aimed at recognizing potential scenarios where such risks might arise, thereby further enabling the organization to implement effective preventative measures. Holland College acknowledges that no industry is entirely exempt from the risks of forced and child labour and there are inherent vulnerabilities within certain sectors of its supply chain, particularly in regions where regulatory frameworks and enforcement mechanisms might not be robust.

This 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. The geographic risk assessment, was combined with an assessment of at-risk-goods categories, further enabling Holland College to apply a targeted lens to our risk assessment.

Risk Assessment Findings

Through a comprehensive analysis, Holland College identified suppliers in the United States as having a heightened risk of forced or child labour. Although the United States exhibits only a medium prevalence of modern slavery according to the Walk Free Global Slavery Index, Holland College is committed to addressing this jurisdictional risk.

In addition to geographic risk factors, we have also utilized data from the US Department of Labor’s List of Goods Produced by Child Labor or Forced Labor. This step was crucial for isolating specific goods within the College’s imported goods portfolio that may be susceptible to forced or child labor issues. This insight is vital as it will guide efforts towards enhanced due diligence and targeted risk analysis for these products.



Furthermore, while the findings from the risk assessment indicate that overall exposure to forced and child labor risks within the supply chain is low in relation to total expenditures, the College does not underestimate the importance of

vigilance in this area. The low overall risk does not diminish its commitment to meticulous risk management procedures and policies.

In response to the jurisdictional risk identified, Holland College plans to contemplate various strategies to reduce and manage any risk of forced and child labor in its supply chain, ensuring that our business practices remain ethical and responsible.

4. Remediation of Forced and Child Labour

For the reporting period, as no incidents of forced or child labor were identified, no remediation of forced or child labour was required.

5. Remediation of Loss of Income

For the reporting period, as no incidents of forced or child labor were identified, no remediation of loss of income was required.

6. Employee Training

Holland College does not currently have employee training on forced and child labour nor does it have material or awareness training that it provides to suppliers related to forced and child labour.

7. Assessing Effectiveness

For the reporting period, Holland College did not have a process for monitoring effectiveness in relation to the use of forced or child labour in its supply chain.

Supplier Status – for Equipment Purchases

A supplier's performance is subject to review at any time. In the event an Executive Director or Manager wishes to review a supplier's performance they will initiate a Quality Form 048 (Request for a Review of Supplier Status) and forward it to the Purchasing Officer. The Purchasing Officer will consult with others within the College who have received equipment from that supplier. If the decision is made to not designate the supplier as "Non-Approved" the Purchasing Officer will monitor any purchases made from that supplier for the next six months. The Purchasing Officer will monitor the supplier's performance with respect to the reason for the initial request for a review and any other areas of inadequate performance. A supplier's status may be changed to "Non-Approved" at any time during the review period.

Suppliers designated “Non-Approved” will not be used for a period of at least one year and the use of the supplier after one year will only be considered after a request has been made by an Executive Director or Program Manager.

When such a request is made, the Purchasing Officer will review the file and investigate the reasons for the designation initially. The Purchasing Officer may determine that things have changed to warrant a change in status. If so, and a decision is made to reinstate the use of that supplier, the use will be monitored by the Purchasing Officer.

Any further occurrences that cause the status of the supplier to be questioned will be sufficient reason to return them to a “Non-approved” designation. A return to “Non-Approved” status will be for a period of not less than two years.

Compliance with the Code of Ethics and Conduct

To monitor and enforce the Code of Ethics and Conduct, the College has in place a formal complaint process whereby a formal investigation and resolution will be reviewed using the harassment or discrimination complaint process outlined in its Administrative Regulation 30-01-1 and for sexual violence, Board Regulation 30-02-1. All formal complaints directed against a College employee by students, parents, grandparents, guardians, employers, the general public or another College employee will follow the process described in the Quality process D02. All processes are available for review on the College website.

When there is a finding that unethical or unprofessional behaviour has occurred, the respondent will be informed that the behaviour is unacceptable, and that disciplinary action may follow. The Vice President of Corporate Services, Strategic Development and Stakeholder Relations will impose disciplinary action where necessary. A decision to impose a disciplinary sanction may be reviewed, at the request of the respondent, by a Vice President, Executive Director or Director appointed by the President.

Environmental Policy Effectiveness

Holland College has an established Environmental Committee that is responsible for monitoring the implementation of the Environmental Policy. The Committee reports to the Senior Management Committee of the College. The Committee is responsible for developing and recommending to the Senior Management Committee initiatives that assist in implementing the Environmental Policy.

Quality Management

As part of the Holland College Act, the College has a governing body, the Board of Governors of Holland College whose responsibilities include the formulation, review and adoption of policies and regulations.

Board regulations delegate responsibility for implementing policy and where necessary set parameters limiting the discretion of College members when implementing policy. Issues that require input from the Board or where the Board is involved in the approval process, must be at the regulation level. Regulations are developed by the Board with input, upon request from the College community, or staff may develop regulations for consideration and approval from the Board. These regulations are approved by the Board prior to implementation.

Administrative regulations are statements by the President clarifying College policy, delegating responsibility for implementation, and providing detail for how policy will be implemented at the College. Administrative regulations set

out the parameters within which the policy is to be implemented and provide guidance to staff on how to carry out the policy. Administrative regulations are succinct and clearly outline the parameters in which the College operates.

Administrative regulations may be developed by the Management Executive Committee (MEC) with input from the College community, or staff may develop administrative regulations for consideration and approval of the MEC.

Quality Processes and Operating Procedures are developed by the Quality Coordinator in consultation with the College community, or by individual units/departments to define a process. In many cases, Quality Processes further define what has been established through policy and/or regulation. Quality Processes and Operational Procedures clarify the process for the staff responsible for implementing and for staff compliance. These processes and procedures will reflect the Board's policies and regulations and Management's administrative regulations. Quality Processes are authorized by the President and Operational Procedures may be approved by the appropriate member(s) of or the entire MEC.

Policy Violations

As the College is ISO-certified, its adherence to its policies is audited on an annual basis. Failure to comply with policies may result in disciplinary action including but not limited to termination of employment. Violations of the Employee Code of Conduct may also result in the same disciplinary action. Effectiveness is evaluated by ensuring our incident numbers are low and addressed in an appropriate manner.

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: Dr. Alexander (Sandy) MacDonald_____

Title: President & CEO _____

Date: May 29, 2024 _____

Signature:  _____

"I have the authority to bind Holland College and its wholly owned subsidiaries."