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May 29, 2025

The Honourable Gary Anandasangaree, MP
Minister of Public Safety Canada

Dear Minister Anandasangaree:

Mount Royal University (MRU) Bill S-211 Report for the period April 1, 2023 to March 31, 2024

In accordance with Bill S-211, an Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the Act), Mount Royal University is providing its report on the steps taken during the previous financial year to prevent and reduce the risk of forced labour or child labour.

Mount Royal University has completed due diligence to the extent possible and to date, has not identified instances of the use of child labour or forced labour within its operations or those of its suppliers.

This report covers the financial year from April 1, 2023, to March 31, 2024 for Mount Royal University, The Mount Royal University Foundation, and Mount Royal Early Learning Centre.

Structure and Activities

Mount Royal University provides post-secondary education and it is in Calgary, Alberta. The University and its consolidated entities are registered charities; The Mount Royal University Foundation is a wholly owned non-profit organization that receives donations and endowments on behalf of the University. The Mount Royal Early Learning Centre is a non-profit organization that provides childcare services primarily for the children of students and employees of the University.

Supply Chain

MRU has 16,225 direct suppliers with 96.86% based in Canada, 2.93% based in the United States of America, and the remaining 0.21% located in Australia, Austria, Belgium, China, England, Finland, France, Hong Kong, India, Italy, Netherlands, Nigeria, United Kingdom, and Vietnam.

MRU evaluated the goods and services acquired for the top 80% of its procurement expenditure. These expenditures covered fees and services, construction goods and services, software, employee expense, electronics, books and publishing, aircraft parts, food and beverage, apparel or textiles, fuel, retail products, industrial products, lighting and furniture, equipment, musical instruments, medical and surgical instruments, electric motors, small tools and equipment, alcoholic beverages, and training.

Supplier Due Diligence

MRU has established formal internal controls for onboarding new suppliers. As part of this process, suppliers are required to complete a vendor setup form, in which they must certify their compliance with Canada's Bill S-211 Act. Suppliers must provide the necessary information to the University, which is reviewed and approved by authorized individuals. All suppliers are expected to abide by the terms and conditions set out within the Supply of Goods and Services Agreement, that is attached to any distributed purchase orders. MRU intends to add a clause in its Supply of Goods and Services Agreement that references compliance with Bill S-211.

Additionally, MRU mandates that all new vendors complete a "Payable and Expense Management Information Form." This form requires suppliers to provide their legal name, address, contact information, banking information, and tax information. If the supplier has provided details regarding their registration with the Canada Revenue Agency (CRA), MRU verifies the accuracy of these details against the form. Any discrepancies are addressed by following up with the supplier to obtain further information.

As part of internal controls, the supplier is assessed for legitimacy by verifying the business number in the CRA GST Registry, verifying a website presence, supplier documentation (i.e. Corporate Registry Information), Workers Compensation Board ("WCB"), and insurance.

In its annual Bill S-211 risk assessment, MRU distributed supplier questionnaires to understand the suppliers' due diligence process regarding mitigating forced or child labor within supplier activities. These questionnaires request additional details and supporting documentation from suppliers, serving as a due diligence measure to verify the accuracy of their responses. As part of its risk assessment, MRU continued to reach out to their suppliers for fiscal year 2024 by sending supplier questionnaires. This proactive approach demonstrates MRU's commitment to ethical sourcing practices and accountability throughout its supply chain.

Policies

MRU has policies and related procedures to advance the University's mission, core values, pillars and strategic directions, promote operational efficiency and effectiveness, mitigate or manage institutional risk, comply with the University's legal, regulatory and other requirements, set behavioural expectations across the University's community, have broad application and impact throughout the University, and communicate roles and responsibilities.

Risk Assessment

A risk assessment of MRU's industry of operation, goods procured and countries where goods are procured from has been performed over material direct suppliers. Material direct suppliers for the purpose of this reporting are those suppliers that make up the top 80% of procurement spend.

Industry of Operations

MRU operates within the education industry which is associated with a low risk of child labour or forced labour according to the - *Walk Free's Global Slavery Index and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour*.

Countries Goods are Procured From

For countries of origin, 77.73% and 2.26% of suppliers are based in Canada and the United States, respectively. These countries are low-risk countries per the *Global Slavery Index* by Walk Free Organization and the US Department of Labour. The remaining percentages are from various locations internationally were engaged mostly for services.

Goods Procured

Per the *2024 List of Goods Produced by Child Labour or Forced Labour* published by the US Department of Labour's Bureau of International Labour Affairs, electronics, surgical instruments, lumber, rubber and glass used for construction, textiles used for nursing uniforms, footwear such as boots for workers, that MRU procures belong to high and extreme risk categories. However, majority of these are supplied by suppliers that are Canadian and US-based which are rated low risk for forced and child labour.

Remediation

To mitigate the risk of child labour and forced labour within supply chains, MRU incorporates the following mechanisms for supplier due diligence:

Supplier Questionnaires

MRU has distributed supplier questionnaires to more than 50% of suppliers for this year as compared to previous year, focusing on conducting due diligence concerning this Act. From the initial responses received, no instances of child labour or forced labour have been identified.

Supply of Goods and Services Agreement

MRU expects each supplier to adhere to local laws of Canada, and those binding the Province of Alberta. It requires new suppliers, through the Vendor Set Up Form, to confirm their compliance with Canada's Bill S-211 Act. Although MRU's Supply of Goods and Services Agreement currently does not contain specific clauses identifying expectations regarding child labour and/or forced labour, MRU is evaluating the inclusion of provisions related to this issue.

To date, the University has not identified instances of the use of child labour or forced labour within its operations or those of suppliers. The University will review procurement practices to enhance the rigor of its due diligence processes including raising awareness with its suppliers.

Through the use of these mechanisms, MRU is continuing the effort to mitigate the risk of child labour or forced labour through the supply chain. With the questionnaire, the University is actively engaged in collecting survey responses to evaluate this risk across its supply chain.

Awareness Training

MRU is preparing to develop training related to this Act, which will be offered to its procurement and supply chain employees.

Self-Assessment

In fiscal year 2024, MRU conducted a risk assessment analysis on its supply chain operations. It evaluated the risk associated with forced and child labour is low, given the industry of operation and about 99.79% of suppliers are located in the low-risk countries of Canada and the United States. The University has committed to continuously assessing and determining the areas in its supply chain that are at risk of forced or child labour.

Conclusion

MRU has implemented measures to address forced and child labour. These include updating its Purchasing landing page on their website with a statement about Bill S-211, which aims to increase industry awareness and transparency and encourage businesses to improve practices, and adding a clause in its Vendor Set Up Form requiring suppliers to certify compliance with the Bill. MRU also submitted a Bill S-211 report to Public Safety Canada in the previous reporting period, May 31, 2024. Mount Royal University plans to further refine its internal processes by updating policies and procedures and supply chain management processes to meet the requirements of Bill S-211.

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.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Lee", written in a cursive style.

Chris Lee

Chair, Board of Governors

c.c.: Dr. Timothy Rahilly, Vice-Chancellor and President, Mount Royal University
Jason Unsworth, Acting, Vice-President, Finance and Administration, Mount Royal University
Carlos Arenas, Director of Finance, Mount Royal University