

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Canada Mortgage and Housing
Corporation

2026 Annual Report

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Submission Information

About the Report

This Report is submitted on behalf of Canada Mortgage and Housing Corporation (“CMHC”) and covers activities and the steps CMHC has taken during its previous financial year (January 1 to December 31, 2025) to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods purchased by CMHC, in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

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Definitions

The Act defines the terms child labour and forced labour as follows:

Child labour: labour or services provided or offered to be provided by persons under the age of 18 years and that

- a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them;
- c) interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- d) constitute the worst forms of child labour as defined in article 3 of the *Worst Forms of Child Labour Convention*, 1999, adopted at Geneva on June 17, 1999.

Forced labour: labour or service provided or offered to be provided by a person under circumstances that

- a) could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or
- b) constitute forced or compulsory labour as defined in article 2 of the *Forced Labour Convention*, 1930, adopted in Geneva on June 28, 1930.

When the terms child labour or forced labour are used in this Report, those definitions apply.

Reporting topics described under Sub-sections 6 (1) and 6 (2) of the Act

Structure, Activities, and Supply Chains

Structure

CMHC is a federal Crown Corporation created under the *Canada Mortgage and Housing Corporation Act*. CMHC has headquarters in Ottawa, Ontario, and five offices across the country in Montreal, Toronto, Halifax, Calgary, and Vancouver. CMHC employs over 2,400 employees across Canada.

CMHC operates in the following sectors:

- Finance and Insurance
- Real estate
- Securitization and Capital Markets
- Delivery of Government Housing Programs

We are accountable to Parliament through the Minister responsible for CMHC, currently the Honourable Gregor Robertson, Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada.

We report on progress against our Corporate Plan through our quarterly financial reports and our annual reports.

The [2025-2029 Summary of the Corporate Plan](#) provides an overview of our strategy and outlines our path ahead to achieve four strategic objectives:

- *Offer housing finance solutions to enable access to housing financing and ensure housing finance system stability through all economic cycles.* We support the stability of the Canadian housing finance market and contribute to the well-functioning of the housing sector by preserving the availability of capital, maintaining our ability to respond to disruptive events, and ensuring that we remain competitive and financially viable, with due regard for exposure to loss.
- *Build and share our knowledge and expertise of the housing system to drive informed decision-making, stimulate dialogue, and improve outcomes in the housing sector.* We address critical knowledge gaps in the housing market by providing timely, relevant, and objective insights. Our leadership in housing research and analysis positions us as a trusted authority, empowering stakeholders to make strategic decisions and enhance the overall effectiveness of the housing sector. By offering valuable insights and solutions, we help address current and future housing challenges.
- *Deliver housing programs to increase housing supply, preserve stock, and contribute to affordable housing.* The programs we deliver address diverse needs and support populations made vulnerable, ensuring more Canadians have access to suitable housing. By building and maintaining our functions and capabilities, we enable the scalable delivery of programs to respond to changing Government of Canada priorities for addressing today's challenges and adapting to those of the future.
- *Be a high performing organization through sound risk, financial, people, knowledge, and technology management to effectively and efficiently deliver on our mandate.* Our commitment to operational

excellence ensures we can deliver on our mandate and meet stakeholder expectations. By continuously improving our internal processes and fostering a culture of high standards, we enhance our ability to achieve sustainable organizational success.

Activities and Supply Chains

CMHC is typically in the business of purchasing services in the areas of professional services, facilities, data, real estate and IT. CMHC does not frequently purchase goods and those that we do purchase are predominantly related to the operation of Granville Island located in Vancouver, BC, a property managed by CMHC on behalf of the Government of Canada. Operationally self-sustaining, Granville Island is home to more than 300 businesses employing more than 3,000 people.

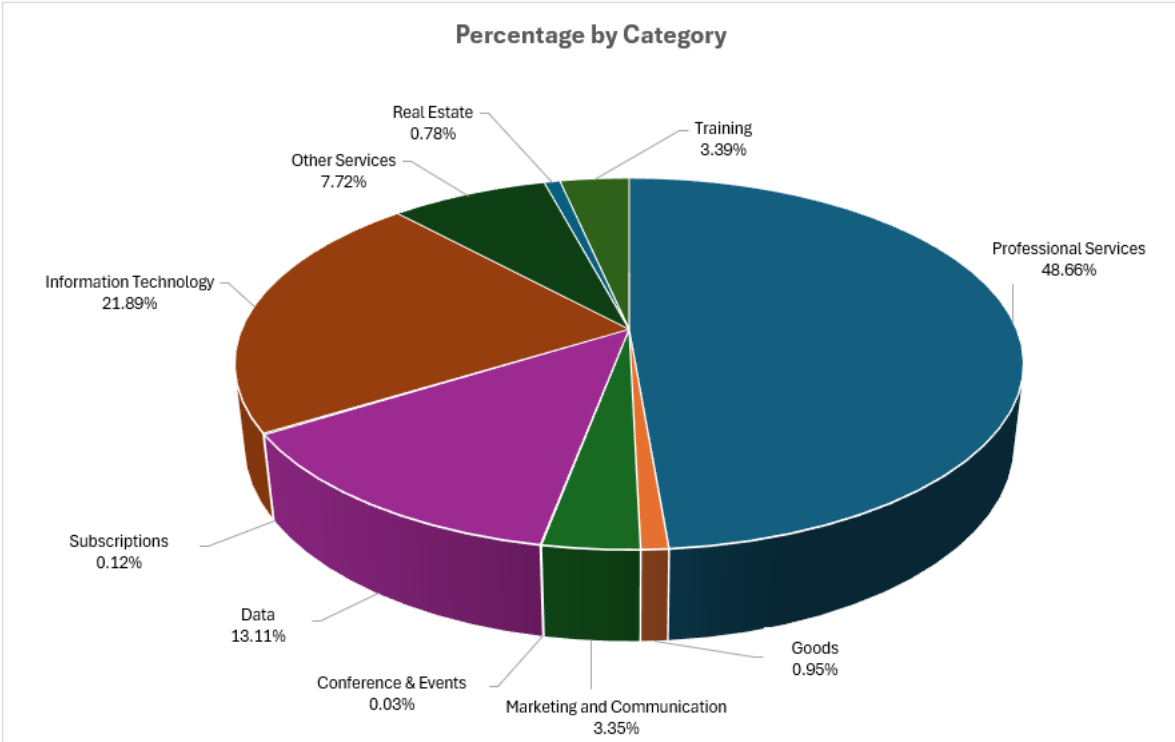
CMHC generally includes the following goods in its supply chain, excluding those purchased with acquisition cards:

- Office equipment and furniture, including to retrofit buildings and make leasehold improvements
- Other equipment, including construction goods supporting the operation of Granville Island
- Telecom and network infrastructure

In 2025, CMHC's purchase of goods mainly included headsets, furniture, hardware and janitorial equipment for the support of Granville Island.

In most cases, goods and services are purchased from Canadian-based suppliers. Currently, 16% of all procurement vendors for purchases of goods and services are located outside of Canada (68 out of 435 are located in the United States and Europe.) From January 1 to December 31, 2025, the total dollar value of contracts awarded for goods and services by CMHC was \$84.25M, which included \$801K (0.95%) of goods contracted from Canadian suppliers. No contracts for the purchase of goods were awarded to non-Canadian suppliers. CMHC does not have any existing contracts with vendors from geographic regions considered high risk by Global Affairs Canada for use of forced labour and child labour, such as the the Xinjiang Uyghur Autonomous Region as per their [advisory notice](#), or from countries on which Canada has imposed sanctions.

Included below is a visual representation of the CMHC contracts committed by category, for the period of January 1 to December 31, 2025. The data presented below does not take into consideration purchases using acquisition cards, as per reporting guidance from Public Safety Canada.



Steps to Prevent and Reduce Risks of Forced Labour and Child Labour – Policies and Due Diligence

Policies and Due Diligence

CMHC's procurement practices are governed by its [Procurement Policy](#), its supporting directive, and its Third Party Risk Management Framework. CMHC conducts all sourcing and procurement activities on the principles of transparency, openness, and fairness, and in compliance with laws and trade agreements. Any new procurement activity undergoes a robust and complex risk assessment that includes, among other things, consideration of operational, compliance and reputational risks. Our standard contract templates contain representations from vendors that they comply with all applicable laws, regulations, as well as CMHC policies, including [CMHC's Vendor Code of Conduct](#).

CMHC's Vendor Code of Conduct sets out principles and expectations that vendors, service providers, and independent contractors must comply with when conducting business with, or providing goods or services to, or acting on behalf of CMHC. It states that CMHC is committed to sourcing goods and services from vendors who respect human rights, ethics, and the environment and have responsible policies and practices. Under the Code, vendors must abide by applicable employment standards, labour, health and safety, non-discrimination, and human rights legislation. As of 2024, CMHC's Vendor Code of Conduct includes a new Forced Labour and Child Labour in Supply Chains Compliance Attestation that vendors must comply with as a condition of conducting business with CMHC as set out in Schedule A to the Code.

Steps Taken in 2025 to Prevent and Reduce Risks of Forced Labour and Child Labour

To ensure compliance with its obligations under the Act, CMHC maintains a mapping of our activities and supply chains, including an analysis of the goods purchased in 2025 which considers the location of our vendors.

In 2025, CMHC expanded current measures to protect against forced and child labour in our supply chains to include:

- Conducting a review and assessment of forced labour and child labour reports published pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act and supplier codes of conduct of key CMHC vendors;
- Monitoring of subcontractors (tier 2 and tier 3 suppliers) of key CMHC vendors by reviewing their reports and supplier codes of conduct;
- CMHC Procurement Officers participated in training offered by the National Institute of Supply Chain Leaders ("NISCL") on the topics of forced labour and child labour.

In 2025, CMHC also continued to leverage the following measures developed in 2024 aimed at our policies and due diligence activities to prevent and reduce the risk that forced labour or child labour is used in the production of goods purchased by CMHC:

- CMHC implemented a questionnaire to have vendors disclose their processes and practices in relation to labor practices, human rights, forced labour and child labour;
- CMHC updated its contract templates for the purchase of goods and services to embed a representation and warranty from vendors that they will comply with CMHC's Vendor Code of Conduct;
- CMHC updated its Vendor Code of Conduct to include references to forced labour and child labour, including a new Attestation that sets out various representations and warranties from its vendors, including their compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and the *Customs Tariff*, as applicable, and CMHC's Vendor Code of Conduct. Under the Attestation, vendors are

also prohibited from producing, importing, or purchasing goods produced in whole or in part by forced labour and child labour, and are required to conduct proper due diligence and monitoring of their own supply chains for risks of forced labour and child labour;

- CMHC monitors its supply chains and vendor practices as they relate to forced labour and child labour;
- CMHC continues to engage the services of external counsel to advise on reporting requirements, compliance with the Act, and implementation of best practices.

Forced Labour and Child Labour Risks

CMHC continues to monitor its supply chains to better understand which areas of its activities may carry an increased risk of forced labour and child labour. CMHC has increased these efforts by working with key suppliers to understand their practices and their approach to managing extended supply chains involving tier 2 and tier 3 suppliers. Our supplier partners are also evaluated for consistency with CMHC's practices as they relate to forced labour and child labour. The assessment and identification of risks is ongoing. The results of this assessment will help inform the adoption of appropriate measures seeking to address any identified risks of forced labour and child labour in our activities and supply chains.

For goods purchased in 2025, we have not identified any specific industries or sectors at risk of use of forced labour and child labour. Since 2024, all new vendors providing goods to CMHC respond to a questionnaire addressing their processes and practices in relation to labour practices, human rights, forced labour and child labour. All responses received have been satisfactory including those responses received from our existing critical vendors. Vendor criticality is determined based on the assessment of severity of harm to CMHC and its ability to deliver critical services in the event of a severe third-party disruption. The criticality of the vendor arrangement is assessed independently from the inherent and residual risk assessment considering the following factors: whether the service is critical to CMHC, the impact of failure to CMHC's ability to deliver critical products, the impact of a need to transition to another supplier, whether the service can be easily transferred in a timely manner to ensure continuity, and the level of concentration risk. Please refer to the "Steps to Prevent and Reduce Risks of Forced Labour and Child Labour – Policies and Due Diligence" section of this Report for additional information on measures taken.

While CMHC uses reasonable efforts to better understand any risks associated with tier 2 or tier 3 suppliers, an area for further exploration continues to be the assessment and identification of potential risk further down our supply chains.

Remediation Measures

CMHC does not currently have any indications of forced labour or child labour in our supply chains. As a result, CMHC has not taken any measures to remediate forced labour or child labour. The results of CMHC's ongoing assessment of risk will inform whether to adopt, and the nature of, any appropriate remediation measures seeking to address any risks of forced labour and child labour in our activities and supply chains.

Remediation of Loss of Income

CMHC has not identified any forced labour or child labour in our activities and supply chains and, therefore, has not taken any measures to remediate loss of income to the most vulnerable families.

Training

In 2025, CMHC's Procurement Officers attended training through the NISCL which included courses that discussed mitigating risks of forced labour and child labour in supply chains. Through external legal counsel, CMHC previously provided voluntary training to employees in Legal and Procurement. Various CMHC teams also attended Public Safety Canada's information sessions on the Act when first launched in 2024.

Assessing the Effectiveness

In 2025, CMHC developed and continued to leverage measures to help improve our awareness and assessment of effectiveness in ensuring that forced labour and child labour are not being used in our activities and supply chains. This included working with suppliers to measure the effectiveness of their policies and actions to address forced labour and child labour, particularly in expanding monitoring to tier 2 and tier 3 suppliers. Finally, CMHC Procurement Officers participated in training offered by the NISCL to stay informed of best practices concerning forced labour and child labour.

CMHC continues to require critical and new vendors to complete a questionnaire regarding their processes and practices in relation to various matters, including labour practices, human rights, forced labour and child labour, to assist with the identification and assessment of risk in our supply chains. Questionnaires are reviewed on a timely basis to ensure vendor practices to protect against forced labour and child labour are satisfactory. To date, no issues have been reported.

CMHC continues to engage the services of external counsel to advise on reporting requirements, compliance with the Act, and implementation of best practices.



Coleen Volk

CMHC CEO and President

Date: 9 April, 2026