TELEFILM C A N A D A

PARTNER OF > CHOICE

FORCED LABOUR IN CANADIAN SUPPLY CHAINS

FISCAL YEAR 2024-2025

Annual report under the Fighting against Forced Labour and Child Labour in Supply Chains Act

To the attention of the Minister of Public Safety

May 29, 2025



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Introduction

The <u>Fighting Against Forced Labour and Child Labour in Supply Chains Act</u> (the "**Act**") came into force on January 1, 2024.

The Act stipulates that any government institution producing, purchasing or distributing goods in Canada or elsewhere must, on or before May 31 of each year, submit a report in respect of the previous year.

The purpose of this report is to describe the measures taken by Telefilm Canada ("**Telefilm**") during its previous fiscal year (April 1, 2024 - March 31, 2025) to prevent and reduce the risk of forced labour or child labour being used at any stage of the production of goods purchased by Telefilm. The report contains information relating to each of the requirements set out in subsections 6(1) and 6(2) of the Act.

Structure, activities and supply chains

Structure

Telefilm is a federal Crown corporation incorporated under the *Telefilm Canada Act*, with its head office in Montréal. Telefilm is part of the Department of Canadian Heritage portfolio, and its mandate is to promote and foster the development of the audiovisual industry in Canada.

In fiscal 2024-2025, Telefilm had 218 employees based in Canada.

Activities and supply chains

Telefilm does not produce or distribute goods but purchases goods in Canada and abroad. In 2024-2025, Telefilm spent around \$380,000¹ on the purchase of goods, mostly computer equipment manufactured abroad.

Telefilm has a *Policy on the Procurement of Products and Services* (the "**Policy**"). Telefilm may use public tenders through the Public Services and Procurement Canada ("**PSPC**") website and others for the purchase of goods and services. Procurement contracts with a total value of \$500,000 or more are required to be put out to public tender, which is an infrequent occurrence in our normal operations. Telefilm also issues calls for tenders by invitation and uses PSPC's standing offers for procurement.

PSPC supports federal institutions in their day-to-day operations as the central purchasing entity for the Government of Canada. Of note, as of November 2021, PSPC has been applying anti-forced-labour clauses to all its goods contracts to ensure that it can terminate contracts if credible information indicates that goods have been produced, in whole or in part, through forced labour or human trafficking. In addition, as of November 20, 2023, all PSPC standing offers and supply arrangements that are issued, amended or renewed include forced labour clauses. Telefilm also carries out activities under its own procurement authority, independently of the PSPC tools described above.

Measures taken to prevent and reduce the risk of forced labour or child labour

Other than the use of the PSPC standing offers mentioned above, Telefilm did not take any other measures to prevent or reduce the risk of forced or child labour in its operations and supply chains during the fiscal year under review.

As Telefilm updates its current procurement framework, processes and practices, it will seek to incorporate additional measures, such as a supplier Code of conduct.

Policies and due diligence processes

Telefilm's Policy states that factors such as the supplier's organizational culture adhering to values of diversity and inclusion and the environmentally responsible measures implemented by the supplier are taken into consideration.

¹ This amount excludes purchases of services, software, licenses, platforms, etc.

During the period covered by this report, Telefilm began work to include additional measures related to the use of forced or child labour. Work to update the Policy is underway and is expected to be completed during fiscal year 2025-2026.

Accordingly, Telefilm has not implemented a due diligence policy or process directly related to forced labour and/or child labour.

As Telefilm updates its current procurement framework, processes and practices, it will seek to incorporate additional measures, such as a supplier Code of conduct.

Procurement activities carrying a risk of forced labour or child labour

During the period covered by this report, Telefilm did not undertake a process to identify the risks associated with forced or child labour in its activities and supply chains.

In May 2021, a risk analysis of PSPC's supply chains was completed by Rights Lab, of the University of Nottingham (UK), to determine which goods were at the highest risk of exposure to human trafficking, forced labour, and child labour. The analysis, and subsequent <u>report</u>, elaborated key strategies for PSPC to leverage public spending power to raise awareness about forced labour in supply chains.

Telefilm has taken note of the findings and recommendations of this risk analysis, and will monitor their ensuing actions, including the implementation of the Policy on Ethical Procurement and the development of a human rights due diligence framework.

Telefilm will evaluate any necessary changes to its processes, policies and practices.

Measures taken to remediate any forced labour or child labour

Having not yet undertaken a risk identification process, Telefilm has not identified any instances of forced or child labour in its operations and supply chains during the period covered by this report and has therefore not been required to take any corrective action.

Measures taken to remediate the loss of income

In the absence of a risk assessment, Telefilm did not identify any instances of forced or child labour in its operations and supply chains during the period covered by this report. Telefilm therefore did not identify any instances of loss of income for vulnerable families as a result of efforts to eliminate forced and child labour in its supply chains, and consequently no corrective action was taken.

Employee training on forced labour and child labour

Telefilm has not developed any training materials related to forced labour and child labour. As a result, Telefilm did not provide any training on forced and/or child labour to staff members during the period covered by this report. Once the documentation update process is complete, Telefilm may begin providing training or awareness materials to all staff responsible for purchasing goods and services. The updated Policy will be distributed to all staff members.

Assessment of effectiveness

During the period covered by this report, Telefilm began work on updating its procurement framework, processes and Policy, and incorporating additional measures and obligations related to forced labour and child labour. As a result, Telefilm does not yet have processes in place to assess the effectiveness of its efforts and the impact of the measures taken to prevent the use of forced and child labour.