

Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report

April 1, 2024 - March 31, 2025



THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT ANNUAL REPORT FOR FY2025

Structure, Activities, and Supply Chains

British Columbia Transit (**BC Transit**) is a Crown Corporation of the Province of British Columbia and is responsible for coordinating the delivery of public transit services in the province outside the Metro Vancouver area. With over 1,000 employees across six divisions in a functional organizational structure, our mandate at **BC Transit** includes planning, funding, marketing, constructing, and operating, either directly or indirectly, the Victoria Regional Transit System and other transit systems in over 130 communities throughout the province.

This is **BC Transit's** second report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the **Act**). This report covers the fiscal year from April 1, 2024, to March 31, 2025, and outlines the steps taken during this period to prevent and reduce the risks of forced and child labour in its supply chains. BC Transit's first report, covering the period of April 1, 2023, to March 31, 2024, was submitted in 2024 in accordance with the initial reporting requirements under the **Act**.

In FY2025, **BC Transit** was the importer of record for approximately 4.5 per cent of total expenditures, with all imported goods originating from the United States and Italy. Among the imports from the United States, 98.7 per cent originated from nine vendors, eight of which are under contract with major bus manufacturers. The Italian imports are from one Italian company who is a subsidiary of U.S. company. These manufacturers have publicly disclosed policies and initiatives that address human rights and outline actions to prevent forced labour and modern slavery within their operations and supply chains.

Policies and Due Diligence Processes

BC Transit has drafted language for procurement and contract documents and is in the process of reviewing and updating its procurement templates and sourcing strategies to mitigate the risks of forced and child labour in its supply chains. This work is guided by the Organization for Economic Co-Operation and Development (OECD) Due Diligence Guide for Responsible Business Conduct to support updates to policy and procurement strategy, https://mneguidelines.oecd.org/due-diligence-guidance-for-responsible-business-conduct.htm, the United Nations (UN) Guiding Principles on Business and Human Rights Regarding the Corporate Responsibility to Respect Human Rights and the United Nations Global Compact (UNGC) Declaration on Human Rights: Guidance-for Businesses.

BC Transit's Code of Conduct (the **Code**) communicates and reinforces desired workplace values and behaviours. The **Code** includes guidance on how individuals can anonymously and confidentially report actual or potential misconduct, including through an independent online reporting portal, as well as through 24/7 toll-free telephone lines for Canada and locations around the world.

The Contractor Code of Conduct (Policy 2.46) establishes expectations for contractor behavior. Non-compliance may be treated as a breach of contract and could result in contract termination.



To support the objectives of the **Act**, the Strategic Procurement department has developed and continues to deliver training materials for staff involved in procurement and contract management. These materials are based on federal guidance and other publicly available resources. Topics include legal frameworks, historical and global perspectives, and key considerations in identifying and addressing risks of forced and child labour.

Members of Strategic Procurement attended the January 15, 2025, information session hosted by Public Safety Canada on the reporting and compliance requirements under the **Act**. The PowerPoint presentation and recording were made available internally for reference and further awareness-building.

Ongoing research includes a review of legislation in other jurisdictions, as well as benchmarking against other public entities in British Columbia. These insights inform continuous improvement of internal training and compliance practices.

Assessment Effectiveness

The newly established compliance manager role is developing a framework to assess the effectiveness of preventing forced and child labour in **BC Transit's** business and supply chains, as required by Section 11(3) of Bill S-211.

Steps Taken

BC Transit has taken the steps outlined in this Report to prevent and reduce the risk that forced labour or child labour is used in the production of goods that **BC Transit** imports into Canada.



Attestation of Report

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 period listed above.

I have the authority to bind British Columbia Transit.

Melissa Zimmerman

Acting Vice President, Finance and Chief Financial Officer

May 23, 2025

I have the authority to bind British Columbia Transit.

Sherri Bell

Board Chair

May 23, 2025