

# Report under the **Fighting Against Forced Labour and Child Labour in Supply Chains Act** (Canada)

May 2024

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The Government of Canada enacted the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) effective January 1, 2024.

This is the report of OPSEU Pension Plan Trust Fund in respect of its 2023 fiscal year (January 1 – December 31, 2023).

## **A. Structure, activities and supply chains**

### **Structure**

The Board of Trustees of the Ontario Public Service Employees’ Union Pension Plan (“OPTrust”, the “Board”, or the “Board of Trustees”) is the legal administrator of the Ontario Public Service Employees’ Union Pension Plan (the “OPSEU Pension Plan” or the “Plan”). The members of the Board are also the trustees of the OPSEU Pension Plan Trust Fund (the “Fund”).

The Province of Ontario (the “Province”) and the Ontario Public Service Employees Union (“OPSEU”) entered into a Sponsorship Agreement dated April 18, 1994, regarding the establishment of the OPSEU Pension Plan. Certain provisions of the Sponsorship Agreement were implemented by the *Ontario Public Service Employees’ Union Pension Act, 1994* (Ontario). The Board of Trustees (including the Plan and the Fund) was established pursuant to a Trust Agreement dated October 25, 1994, between the Province and OPSEU as sponsors of the Plan, and the ten individuals who served as the original trustees.<sup>1</sup>

The Board is comprised of ten individuals, five appointed by the Province and five appointed by OPSEU (in a model often referred to as joint governance). The Board and its employees operate under the business name OPTrust. In accordance with its fiduciary duty to Plan members, the Board serves in a strategic and oversight role and has delegated the administrative management of the Plan and Fund to OPTrust’s President and Chief Executive Officer, who in turn, has further delegated responsibilities to other OPTrust employees. As of December 31, 2023, OPTrust had 404 employees.

The Plan had over 111,000 members and \$25 billion net assets available for benefits as of December 31, 2023. The Plan is registered under the *Pension Benefits Act* (Ontario) with the Financial Services Regulatory Authority of Ontario and under the *Income Tax Act* (Canada) with the Canada Revenue Agency.

Further information about OPTrust can be found in its Funded Status Report, published annually and available at [www.optrust.com](http://www.optrust.com).

<sup>1</sup>The Trust Agreement provides that the name of the Fund may be used to designate the Board collectively. Accordingly the legal name used for purposes of filing a report under the Act is OPSEU Pension Plan Trust Fund.

## Activities

The sole purpose and business of OPTrust is the administration of the OPSEU Pension Plan and the administration and investment of the Fund. All of OPTrust's activities are related to this purpose and business. OPTrust's mission statement is: *Paying pensions today, preserving pensions for tomorrow.*

The Plan provides pension benefits mainly for employees of the Province and various crown agencies, boards, commissions, and certain other employers in the broader public sector in bargaining units represented by OPSEU, as well as certain other employees in the non-profit sector.

As set out in section 9 of the Act, a reporting obligation applies to an entity (as defined in the Act) that

1. produces, sells or distributes goods in Canada or elsewhere,
2. imports into Canada goods produced outside Canada, or
3. controls an entity engaged in these activities.

As noted above, OPTrust's business is the administration of the OPSEU Pension Plan and the administration and investment of the Fund. As a result, OPTrust's activities are primarily in the nature of services and not related to producing, selling, distributing, or importing goods.

### **1. Produces, sells or distributes goods in Canada or elsewhere**

OPTrust does not produce or sell any goods. OPTrust does not distribute goods in Canada or elsewhere other than in very limited circumstances in connection with carrying on its business.

### **2. Imports into Canada goods produced outside Canada**

OPTrust does not import goods for resale purposes. OPTrust could be considered to import into Canada goods produced outside of Canada when purchasing goods for its own use. To the extent OPTrust purchases goods for its own use (e.g., office supplies), these goods are primarily purchased from vendors in Canada. However, to a limited extent OPTrust purchases goods for its own use from vendors outside of Canada, and to that extent, OPTrust can be considered to be importing goods into Canada for purposes of the Act. OPTrust purchases goods from the United States, Australia, the United Kingdom and a small amount of goods from online vendors.

### **3. Controls an entity engaged in these activities**

Under applicable law, OPTrust is not permitted to invest the moneys of the Plan in the securities of a corporation to which are attached more than 30% of the votes that may be cast to elect the directors of the corporation (subject to certain exceptions). However, for purposes of the Act, OPTrust may be considered to have control over an entity (i.e., de facto control) that engages in the activities set out in section 9 of the Act (the "Entity"). The Entity has a different business and risk profile from OPTrust. OPTrust directly contacted the Entity, informed it of the Act and the obligations under the Act.

## Supply chains

As noted above, OPTrust's activities are the administration of the OPSEU Pension Plan and the administration and investment of the Fund. OPTrust does not have an extensive supply chain with respect to goods. Goods are purchased in the course of carrying on business (e.g., office supplies or computers) and are primarily purchased from Canadian vendors. To a much lesser extent, some goods are purchased from vendors in the United States, the United Kingdom, Australia and in some cases from online vendors. For online purchases of goods from online vendors, a concerted effort is made to use vendors where the shipping location is within North America.

### **B. Policies and due diligence processes in relation to forced labour and child labour**

The OPTrust Code of Conduct includes guiding principles that are the foundation for decision making and personal conduct for employees of OPTrust. These principles include conducting business ethically and with integrity, honesty and transparency with all parties, including supply chain vendors. As part of our vendor management program and vendor due diligence process, we screen vendors against a negative list as one measure to ensure we are conducting business with reputable vendors. OPTrust has a specific Vendor Code of Conduct ("Code") that sets out OPTrust's expectations of its vendors, including prohibiting all forms of forced labour and child labour. The Code has been provided to OPTrust's key vendors, such as those who provide goods and services to OPTrust (including all vendors who provide goods from outside Canada to OPTrust).

In accordance with its fiduciary duty, OPTrust has other internal policies which set out the standards of conduct to which employees and the Board must adhere. This includes a Privacy Policy, and an Anti-Bribery, Anti-Corruption & Financial Crimes Policy.

Our due diligence process included conducting supply chain mapping to determine the location of the vendors from whom we procure goods to confirm that we do not procure goods from vendors in any high risk regions. Additionally, we performed an audit of the vendors from which we procure goods from and concluded that the majority of such vendors have their own vendor codes of conduct that prohibit all forms of forced labour and child labour, which they require all of their vendors to comply with. For certain vendors who did not have any such documentation in place we provided education to these vendors on the obligations under the Act and explained our vendor code of conduct, the requirements that it imposed upon them, and our commitment to working with vendors who have appropriate practices or policies in place to prohibit the use child or forced labour.

### **C. Parts of business and supply chains that carry a risk of forced labour or child labour being used, and steps taken to assess and manage that risk**

The risk of forced or child labour in OPTrust's supply chains is low as a result of the nature of its business operations and the nature or location of the goods sourced. The part of OPTrust's business and supply chains that carry a risk of forced labour or child labour being used is the purchase by OPTrust of goods used to carry on business. OPTrust assesses the risk by considering the nature of the goods purchased, as well as the jurisdiction from which they are sourced. Based on this assessment, in OPTrust's view, the risk that forced labour or child labour being used in its supply chains is low. OPTrust manages the risk by having appropriate policies and procedures in place and attending educational seminars on managing this risk to ensure we are following market practice.

### **D. Measures taken to remediate any forced labour or child labour**

Not applicable. We have not identified any forced labour or child labour in our activities and supply chains.

**E. Measures taken to remediate the loss of income to the most vulnerable families that results from any measures taken to eliminate the use of forced labour or child labour in activities and supply chains**

Not applicable. We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

**F. Training provided to employees on forced labour and child labour**

OPTrust provided training on the risks of forced labour and child labour being used in OPTrust's activities and supply chains to relevant employees, such as those engaged in the procurement of goods, the investment decision making process, legal counsel, and other employees who support these activities.

**G. Assessment of effectiveness in ensuring that forced labour and child labour are not being used in business and supply chains**

OPTrust has taken various measures, as described in this report, to reduce the risk that forced labour or child labour are used in OPTrust's business and supply chains. As noted above, OPTrust views the risk that forced labour or child labour are used in its business and supply chains as low.

**Steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by OPTrust or of goods imported into Canada by OPTrust**

OPTrust does not produce goods.

OPTrust has taken various steps to reduce the risk that forced labour or child labour is used in goods imported by OPTrust. These steps include purchasing goods from established vendors in jurisdictions not known to carry a high risk of child or forced labour; providing the OPTrust Vendor Code of Conduct to vendors; and notifying vendors of the new Act, and that they may have obligations under the Act.

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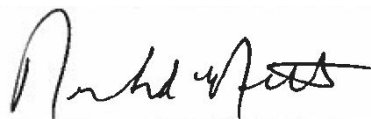
This report has been approved pursuant to section 11(4)(a) of the Act.



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I have authority to bind OPTrust

**Lindsey Burzese**  
Chair



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I have authority to bind OPTrust

**Richard Nesbitt**  
Vice-Chair