



Fighting against modern slavery

 *report*

2023-24



Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)

2023–24

Introduction

This report constitutes Saskatchewan Government Insurance's report ("Report") regarding modern slavery covering the April 1, 2023 to March 31, 2024 fiscal year. This Report is made on behalf of Saskatchewan Government Insurance ("SGI") and its subsidiaries, SGI CANADA Insurance Services Ltd. ("SGI CANADA") and Coachman Insurance Company (collectively the "Corporation", "we", "us" or "our") pursuant to section 6(2) of the *Fighting Forced Labour and Child Labour in Supply Chains Act* (the "Act").

Notice

The Corporation is filing this Report because we support the Act's goals of preventing and reducing the risk of forced or child labour in supply chains. By filing this Report, the Corporation is not conceding that the Act applies to it, nor is the Corporation conceding that the federal government has jurisdiction over the Corporation or any provincial agencies or corporations respecting any of the matters addressed by the Act. This filing is without prejudice to any legal rights, defenses, powers, rights, immunities or exemptions that the Corporation may have under any law. This filing does not set a precedent for this or any other similar matter in the future, and we reserve the right to decline to file future reports.

Our Corporate Structure and Business Activities

SGI, a provincial Crown corporation, was established by the Government of Saskatchewan through legislation in 1945 as the Saskatchewan Government Insurance Office ("SGIO"). SGIO was created to provide people in Saskatchewan with low-cost and appropriate forms of insurance. In 1946, *The Automobile Accident Insurance Act* was enacted, under which all registered automobile owners in the province were insured automatically upon the purchase of licence plates. In 1947, SGIO opened its first salvage plant and, in 1977, SGIO took over driver's licensing and registration when the Department of Finance taxation branch staff joined SGIO. In 1979, SGIO was rebranded to its current name, Saskatchewan Government Insurance. In 1992, SGI CANADA Insurance Services Ltd. was created as a subsidiary company owned by SGI. SGI CANADA also operates as Coachman Insurance Company in Ontario.

Today, SGI has evolved into two distinct operations: administrator of the Saskatchewan Auto Fund and SGI CANADA. The Saskatchewan Auto Fund is financially self-sustaining on a break-even basis over time. It does not receive money from, nor pay dividends to, the government of Saskatchewan. SGI CANADA is the property and casualty insurance division of the Corporation; it offers products in Saskatchewan, British Columbia, Alberta, Manitoba and Ontario, and its products are sold through a network of independent insurance brokers. The Corporation operates 21 claims centres and six salvage centres across 13 Saskatchewan communities. We also operate out of offices in Calgary, Edmonton, Winnipeg and Toronto. We employ over 2,500 employees and work with a network of nearly 400 motor licence issuers in Saskatchewan. The Corporation works with 323 independent insurance brokerages in 1,828 locations in the provinces it operates in.

The Corporation's direction is determined by our Executive Leadership Team, our Board of Directors and Crown Investments Corporation of Saskatchewan, which is the holding company of all the Crown corporations in Saskatchewan.

Our Supply Chain

The Corporation has assessed the types of goods purchased in 2023–24, which includes, but is not limited to, purchases from third-party distributors that supply driver's licences, licence plates, IT equipment and accessories, and branded promotional items. During procurement, the Corporation places a priority on maintaining a high ethical business standard that complies with Saskatchewan's trade initiatives and treaty obligations. Our procurement processes aim to provide support to Indigenous people, communities and businesses and provides equal opportunities for vendors to carry out business with the Corporation. In addition, our procurements are conducted through competitive processes unless other methods are approved. Upon review, the majority of the goods purchased by the Corporation are sourced from within Canada and the United States.

Our Policies and Due Diligence Processes

The Corporation's Code of Ethics and Conduct (the "Code") applies to the Board of Directors, corporate officers, unionized and non-unionized employees, and contingent workers of the Corporation (collectively "Workers"). The Code represents guiding principles designed to protect Workers by providing guidance in resolving ethical, legal and moral situations that may arise as a result of their employment with the Corporation. The Code emphasizes that Workers are professionals who are resolved to uphold the Corporation's legal obligations and ethical ideals. Specifically in relation to modern slavery, by reviewing and signing the Code, Workers acknowledge and agree that in conducting the Corporation's business they shall comply with all applicable federal, provincial and municipal laws and regulations, including the Act.

Modern Slavery Risks

As noted above, the Corporation primarily sources its goods from Canada and the United States, both of which have measures in place to combat modern slavery in supply chains. In addition, as a significant portion of our business is centered around insurance services, we consider the risk of modern slavery in our direct supply chain to be relatively low.

Our Actions to Address Modern Slavery Risks

Salvage Division

SGI is the only insurance company in Canada with its own salvage division to harvest useable parts from damaged vehicles. SGI actively engages with the Saskatchewan vehicle repair industry to promote the use of recycled parts where it makes sense to do so. Recycled parts from SGI's salvage division are either used to refurbish fleet vehicles according to rigorous safety practices which are then used and later sold at auction, or sold to the automotive repair industry. Each year, SGI sells approximately \$17M in recycled parts from its salvage division. The practices of the salvage division allow SGI to help reduce the importation of new automotive parts into Canada.

Whistleblower Policy

Workers are encouraged to use the Corporation's Whistleblower Policy ("Whistleblower Policy"), which provides a framework to report any actual or potential wrongdoings. The Whistleblower Policy recognizes that the Corporation has a responsibility to conduct business operations in an ethical and legal manner with honesty and integrity. This means complying with the Corporation's Code, complying with applicable laws and regulations, and implementing and enforcing policies, standards and procedures that foster proper practices, and the ethical treatment of employees, customers and business partners. As is relevant to the Act, the wrongdoings contemplated by the Whistleblower Policy include: a contravention of any federal or provincial Act or Regulation; a contravention of the Corporation's policies, standards or procedures; an act or omission that creates a danger to the life, health or safety of persons; unethical conduct, or other actual or potential breach of the Code; or knowingly directing or counselling a person to commit or conceal any of the above mentioned.

Our Remediation Measures

In 2023–24, we did not receive any disclosures through the Whistleblower Policy related to modern slavery. Furthermore, outside of the Whistleblower Policy, we are not aware of any instances of forced labour or child labour in our supply chains during the 2023–24 fiscal year. Accordingly, no remediation measures have been undertaken.

Our Training and Awareness

All Workers of the Corporation are required to acknowledge they have reviewed the Code on an annual basis.

Assessing our Effectiveness

The Corporation operates within Canada, complying with legal obligations and ethical standards by not using forced labour or child labour. As of 2023–24, the Corporation had not yet developed methods to assess the effectiveness of preventing these risks in our supply chains.

Report Approval and Attestation

The contents and delivery of this Report were approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of SGI as the governing body for SGI and its subsidiaries.

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the Report for the entities listed above. Based on our knowledge, and having exercised reasonable diligence, we attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the fiscal year ending March 31, 2024.



I have the authority to bind the Corporation

Penny McCune
President & CEO
February 27, 2025



I have the authority to bind the Corporation

Denis Perrault
Chair, Board of Directors
February 27, 2025

