



Fighting against modern slavery

 *report*

2025-26



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

2025–26

Introduction

This report covers Saskatchewan Government Insurance's activities from April 1, 2025 to March 31, 2026 ("Reporting Period"). It is made on behalf of Saskatchewan Government Insurance ("SGI") and its subsidiaries, SGI CANADA Insurance Services Ltd. and Coachman Insurance Company (collectively "Corporation", "we", "us" or "our") pursuant to section 6(2) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("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 creating 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 report is without prejudice to any legal rights, defenses, powers, rights, immunities or exemptions that the Corporation may have under any law. This report 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

Saskatchewan Government Insurance, 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 also operates as Coachman Insurance Company in Ontario.

Today, the Corporation has evolved into two distinct operations: the Auto Fund and SGI CANADA. The Corporation is the administrator of the Saskatchewan Auto Fund, the province's compulsory auto insurance program that also operates the driver licensing and vehicle registration system. The Auto Fund is financially self-sustaining on a break-even basis over time and neither receives money from nor pays dividends to the Government of Saskatchewan. SGI CANADA is the property and casualty insurance division of the Corporation that offers products in Saskatchewan, British Columbia, Alberta, Manitoba and Ontario through a network of independent insurance brokers.

The Corporation's head office is in Regina, Saskatchewan. We operate 21 claims centres and six salvage centres across 13 Saskatchewan communities and maintain offices in Calgary, Edmonton, Winnipeg and Toronto. The Corporation employs more than 2,500 employees, works with about 350 motor licence issuers in Saskatchewan, and partners with 296 brokerages across 1,884 locations in Canada.

The Corporation's direction is determined by our Executive Leadership Team, our Board of Directors and Crown Investments Corporation of Saskatchewan ("CIC"), the holding company for Saskatchewan Crown corporations.

Our Supply Chain

For this Reporting Period, the Corporation assessed the types of goods purchased, including purchases from third-party distributors supplying driver's licences and licence plates, IT equipment and accessories, and branded promotional items. During procurement, the Corporation prioritizes high ethical business standards that comply with Saskatchewan's trade initiatives and treaty obligations. Our processes aim to support Indigenous peoples, communities and businesses, while ensuring equal opportunities for vendors to conduct business with the Corporation. All procurements are conducted through competitive processes unless otherwise approved.

In 2025–26, we analyzed the extent of goods sourced from outside Canada. The majority of goods purchased are sourced domestically. Most international goods were purchased from the United States. Both countries have laws in place to reduce the risk of modern slavery.

Our Policies and Due Diligence Processes

Code of Ethics and Conduct

The Corporation's Code of Ethics and Conduct ("Code") applies to the Board of Directors, corporate officers, unionized and non-unionized employees, and contingent workers of the Corporation (collectively, "Workers"). The Code sets out guiding principles designed to help Workers resolve ethical, legal and moral situations that may arise in the course of their duties. By reviewing and signing the Code, Workers acknowledge that, in conducting the Corporation's business, they will comply with all applicable federal, provincial and municipal laws and regulations, including the Act.

Whistleblower Policy

Workers are encouraged to use the Corporation's Whistleblower Policy ("Whistleblower Policy") to report any actual or potential wrongdoing. The Whistleblower Policy affirms our responsibility to conduct business ethically and legally consistent with the Code, applicable laws, and to implement policies, standards and procedures that foster proper practices and ethical treatment of Workers, customers and business partners. Relevant to the Act, reportable wrongdoings include contraventions of any federal or provincial laws or regulations; contraventions of corporate policies, standards or procedures; acts or omissions that create a danger to the life, health or safety of persons; unethical conduct, or other actual or potential breaches of the Code; or knowingly directing or counselling a person to commit or conceal any of the foregoing. In the normal course of business, the Corporation fosters a leadership culture that supports constructive and accountable communication. As part of this initiative, Workers are encouraged to share information with upper management about any issues that may occur. In addition, unionized workers can also file a grievance with their Union to resolve a concern. Both processes are in place for these to be fairly investigated and resolved.

Purchasing Policies and Procedures

The Corporation's Purchasing Policy ("Purchasing Policy") governs the procurement of goods and services to ensure fairness and deliver value to both the Corporation and the province of Saskatchewan. It guides the Corporation in complying with Saskatchewan's trade agreements, CIC procurement requirements and achieving the best value for public funds. It also outlines procurement practices across the Corporation and directs Workers to follow our Corporate Purchasing Procedures ("Purchasing Procedures"). The Purchasing Procedures set expectations that vendors comply with the law, avoid unethical or compromising conduct or the appearance of such conduct, and meet all contractual obligations in their business with the Corporation.

CIC Crown Sector Procurement – Code of Conduct Policy

The Corporation expects all its vendors to review the CIC Procurement Code of Conduct (“CIC Procurement Code”) with all Workers involved in the Corporation’s business. A link to the CIC Subsidiary Crown Policy Manual, which contains the CIC Procurement Code, is available on SGI’s website at <https://sgi.sk.ca/suppliers>. The CIC Procurement Code outlines standards of procurement practice for business partners and expects vendors to avoid unethical or compromising actions and behaviours, or the appearance thereof, in their business relationships with Saskatchewan Crown corporations, and to act in accordance with the law.

CIC Crown Sector Procurement – Best Value Procurement Policy

The Corporation adheres to CIC’s Best Value Procurement Policy (“CIC BVP Policy”), which is designed to achieve the best value in procurement. The CIC BVP Policy encourages the inclusion of a range of evaluation factors when developing procurement opportunities and, for procurements below trade-agreement thresholds, encourages sourcing from Saskatchewan suppliers where sufficient value, capability and expertise exist to meet business needs. Prioritizing Saskatchewan suppliers helps reduce the risk of modern slavery in our direct supply chain.

Modern Slavery Risks

As the Corporation’s business activities are predominantly centered on the provision of insurance services, the risk of modern slavery within our direct supply chain is assessed as relatively low. We acknowledge risks may exist within our indirect supply chains, particularly with respect to administrative goods such as IT equipment and accessories, office furniture, marketing materials and automotive parts.

Our Actions to Address Modern Slavery Risks

Salvage Division

SGI operates Canada’s only insurer-owned salvage division, harvesting useable parts from damaged vehicles. SGI works with Saskatchewan’s vehicle repair industry to promote the use of recycled parts where appropriate. Recycled parts are used to refurbish our fleet vehicles, and each year SGI sells approximately \$17 million in recycled parts from its salvage division to the automotive repair industry, helping to reduce the importation of new automotive parts into Canada.

Reporting Period Corporate Updates

In 2025–26, we reviewed our policies and procedures to identify opportunities to strengthen compliance with the Act for both the Corporation and its vendors.

Purchasing Processes and Resulting Agreements

The Corporation commonly uses Requests for Proposals (“RFP”) for major procurements. In the Reporting Period, we prepared updates to our RFP template requiring potential vendors to represent and warrant their awareness of their obligations under the Act and to confirm that the goods and services they offer have no direct or indirect connection to forced labour or child labour. We are also drafting a legal provision addressing compliance with modern slavery laws, for inclusion in future material vendor agreements.

Marketing Procurement and Process Review

In the Reporting Period, the Corporation’s marketing department completed a comprehensive review of vendors used for promotional items, events and marketing, and identified those with modern slavery statements. The department updated their procedures for sourcing promotional items to prioritize Canadian or local suppliers.

Our Remediation Measures

During the Reporting Period, we did not receive any notifications or reports of forced labour or child labour in our supply chain. Accordingly, no remediation measures were necessary.

Our Training and Awareness

All Workers of the Corporation are required to acknowledge annually they have reviewed the Code. In 2025–26, purchasing staff were briefed on the RFP updates. Also, onboarding materials for marketing staff now include information on the Act and guidance to prioritize Canadian suppliers when sourcing promotional items and event materials.

Assessing our Effectiveness

The Corporation operates within Canada and complies with legal obligations and ethical standards by not using forced labour and child labour. We remain committed to continually assessing and enhancing our methods for identifying and mitigating modern slavery risks within our supply chains. This includes monitoring industry developments and sharing procurement best practices with other Crown corporations.

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, 2026.



I have the authority to bind the Corporation

Penny McCune
President & CEO
April 30, 2026



I have the authority to bind the Corporation

Gary Vidal
Chair, Board of Directors
April 30, 2026

