

Business Plan

Fiscal Years 2026/27 to 2028/29



June 2026



Supply
Ontario

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Message from the Chair

On behalf of the Board of Directors, I am pleased to present Supply Ontario's multi-year business plan for fiscal years 2026-27 to 2028-29.

As Chair, I am proud of the agency's continued progress in advancing its mandate. Over the past year, under the Board's oversight and the leadership of CEO Jamie Wallace, Supply Ontario has come into its own as Ontario's leading authority on public sector procurement—not only by delivering on its mandate, but also steadily building the internal capacity required to sustain it. These advances set a strong foundation for success in its coming years.

Over the next three years, the Board remains firmly committed to its responsibilities to the agency and its accountability to the Minister and the people of Ontario. Our focus is on ensuring that Supply Ontario continues to advance its mandate with integrity. This means upholding public trust, transparency, and responsible stewardship of resources, while meeting all legislative and policy requirements. It also means maintaining engagement, fairness, and equitable access to opportunities for suppliers,

stakeholders and partners alike. We will also continue to exercise strong risk management and performance oversight to ensure that all initiatives deliver clear, measurable value to Ontarians responsibly and effectively.

Looking ahead, our governance lens remains firmly fixed on the long term. We are committed to upholding the culture of integrity that underpins public confidence and ensures the continued success of Supply Ontario. The Board is confident that, with its strong oversight and strategic guidance, the agency will deliver on its three-year strategy and build a unified, transparent, and high-performing procurement ecosystem. This ecosystem will create public value, strengthen Ontario's economy, and prepare the province for the future, enabled by strategic centralization, modernization, and public sector leadership.



Paul G. Smith
Chair, Board of Directors
Supply Ontario

Message from the Chief Executive Officer

Ontario can no longer rely on unpredictable foreign markets for the goods and services our citizens and public services count on every day—so at the direction of the provincial government, Supply Ontario is acting to support a more reliable, made-in-Ontario supply chain that protects the people of Ontario and grows our economy. We experienced this reality during the COVID-19 pandemic and are seeing similar pressures today with global trade disputes and realignment.

Supply Ontario was created to address these challenges directly. Our mandate is to modernize and centralize public sector procurement, strengthen domestic supply chains, support economic development and innovation, and create measurable value for taxpayers—by strategically leveraging the more than \$30 billion spent annually across Ontario's public sector. Since mid-2023, we have moved decisively from foundation-building to execution, delivering scale, savings, resiliency, and support for domestic businesses and supply chains. We've seen the growth of centralized contracts in our Vendor of Record (VOR) Program that has more than quadrupled from \$4 billion in 2023 to \$7.3B in 2023-24 and to \$16.8 billion in lifetime values of contracts under management this last fiscal. We expect significant additional progress over the next three years. Annualized spend on our contracts now total \$708 million, and similarly, we anticipate ongoing growth. Utilization of our VOR arrangements increased 19% in 2024-25,

while broader public sector use of our VOR arrangements grew by 24% compared to the prior year. These results reflect growing confidence among public sector buyers and a clear shift towards centralized, shared and collaborative procurement solutions.

Supply Ontario also began exercising its legislated authority to ensure procurement scale translates into value. Late last year, we issued our first Section 20 notice under our legislation, the *Supply Chain Management Act (Government, Broader Public Sector, and Health Sector Entities), 2019* ("SCMA") for our computing devices VOR arrangement, requiring school boards to use our centralized contract. This marks an important milestone in the evolution of Ontario's procurement system: the aggregation of public sector contracts to take advantage of Ontario's buying power to leverage better value and outcomes.

That aggregation is already producing meaningful financial results. Confirmed contract-over-contract savings grew to 19% in 2024-25 and 15% to date this fiscal. In dollar terms, Supply Ontario has confirmed more than \$1 billion in savings and an estimated \$6.6 billion in total cost avoidance, reductions, and recoveries projected over the life of current VOR Program contracts. These savings are directly helping public sector entities offset inflationary, trade and other cost pressures, and redirecting resources to front-line services. Centralized procurement is also strengthening Ontario's

economic resilience and supporting domestic industry, while remaining open, transparent and trade compliant. Today, 89% of vendors on our VOR lists are Ontario-based, 97% are Canadian, and 98% of Personal Protective Equipment (PPE) procured by Supply Ontario is now manufactured in Ontario—a dramatic shift from the pre-2020 environment, when none of the province's PPE supply was produced domestically. Investment in domestically produced PPE has topped \$1 billion since then. By prioritizing Ontario and Canadian suppliers, we are helping scale local firms, sustain manufacturing capacity, and reduce exposure to global supply disruptions.

We rationalized and consolidated Ontario's Strategic Inventory operations, streamlining emergency PPE warehousing from dozens of locations and seven service providers to three regional distribution centres and a satellite facility in Northern Ontario, supported by a single, modern, third-party logistics provider. This consolidation creates a living inventory that distributes critical PPE products to the health sectors and others, improves visibility, reduces procurement duplication, and ensures the province can respond quickly and effectively to protect public services and the economy in times of crisis.

At the same time, the agency has matured institutionally. We established and implemented core Finance, Human Resources, IT, Data and Digital systems and processes, among others, enabling better demand forecasting, contract

management, and performance measurement. We are implementing the government's *Buy Ontario Act (Public Sector Procurement), 2025* (the *Buy Ontario Act*) and previously implemented the province's Broader Public Sector Procurement Directive (BOBI), and the Procurement Restriction Policy, strengthening governance, compliance, resiliency and transparency across the system.

Supply Ontario has also expanded its operational scope in support of public health delivery. This past year, we assumed responsibility for Ontario Government Pharmaceutical and Medical Supply Services operations, which warehouses and distributes vaccines and pharmaceuticals to hospitals, physicians, public health units, and correctional facilities across the province. This integration further strengthens system coordination and supply continuity for critical health products.

Looking ahead, the launch of Ontario's new Digital Procurement System (DPS) will mark a major step forward for the public sector. The DPS will provide a single, intuitive, AI-enabled procurement portal for buyers and suppliers, reducing administrative burden, increasing competition, improving transparency, and unlocking system-wide procurement data and insights. Combined with our growing analytics capability, the platform will enable more strategic aggregation, better supplier engagement, and stronger outcomes for Ontarians.

Delivering on this ambitious mandate requires collaboration and partnership. As Ontario's central procurement authority, Supply Ontario is committed to building procurement expertise, supporting implementation, and promoting innovation across the public sector. Through advisory services, communities of practice, and supplier outreach, we are helping buyers adopt modern procurement approaches and helping suppliers, particularly Ontario-based and diverse suppliers, navigate and succeed in the public procurement market.

Supply Ontario is entering a new stage of maturity. The agency now operates at scale, with the capacity, authority, and systems in place to deliver measurable results. In an increasingly uncertain global environment, a centralized procurement model that delivers value, resilience, and economic strength is not optional—it is essential. Supply Ontario is delivering that model, using public procurement to protect Ontarians today and strengthen Ontario's economic independence for the future.



A handwritten signature in black ink that reads "Jamie Wallace". The signature is fluid and cursive, written over a white background.

Jamie Wallace
CEO
Supply Ontario



Executive Summary

Supply Ontario continues to strengthen its role as Ontario's central public sector procurement agency, delivering on its mandate to centralize supply chains, improve value for money, and enhance the province's long-term supply resilience. Over the past year, the agency has expanded enterprise procurement programs, increased adoption of its enterprise-wide VOR arrangements, and begun tracking measurable benefits enabled by more coordinated, transparent, and efficient procurement practices. These achievements have positioned Supply Ontario to accelerate its impact over the next three years, as it builds on its strong foundation to deliver a more unified, digital, and resilient public sector procurement system that creates value for Ontarians.

Over the 2026-27 to 2028-29 planning period, Supply Ontario will continue to deliver on government priorities through three interrelated strategic themes: **Centralization and Delivery**,

Transformation and Modernization, and **Public Sector Leadership**. Together, these priorities define the agency's path towards a mature, system-wide procurement model that delivers savings, supports economic development, and strengthens Ontario's readiness for the future.

Centralization and Delivery

Supply Ontario's VOR Program has grown 130% since FY 2025-26 and 300% since mid-2023 in contracts under management, while delivering tangible value, with over \$1B in confirmed cost reductions identified over the lifetime value of existing contracts. Supply Ontario will significantly expand centralized procurement across Ontario, building a province-wide system that delivers measurable value. Using its legislative authorities under relevant sections 20 and 21 of Ontario Regulation 612/20 (Centralized Supply Chain Ontario) (O. Reg. 612/20), the agency will actively unify procurement, gather strategic data, and move more spend under

management. Over the next three years, Supply Ontario will scale the use of its enterprise-wide VOR arrangements, expand category strategies, and deepen collaboration with long-term care homes, municipalities, and other public sector entities, extending the benefits of centralized contracts across the landscape.

Supply Ontario works closely with Group Purchasing Organizations (GPOs) and Shared Services Organizations (SSOs) to align procurement strategies, reduce duplication, and simplify purchasing processes. Through this work, the agency will maximize the collective buying power of the public sector while ensuring fair, open, and transparent opportunities for suppliers, including Ontario- and Canada-based businesses that strengthen domestic economic capacity. The agency will also grow its Strategic Inventory into a broader, more domestically produced stockpile, supported by a modernized, regional warehousing and logistics network designed for 24/7 emergency readiness. These actions position Supply Ontario to maximize the province's buying power, secure essential critical goods, and drive savings and efficiencies across public sector entities in Ontario.

Transformation and Modernization

Supply Ontario will advance a comprehensive modernization agenda that reshapes how Ontario procures goods and services. The launch of the agency's DPS will create a single, cloud-based procurement environment that replaces fragmented processes, accelerates procurement cycles, strengthens data quality, and improves the experience for both buyers and suppliers. This modernization effort also integrates advanced analytics, cybersecurity, and responsible technology practices to build

a responsive procurement system capable of adapting to future needs.

In alignment with Ontario's economic and resiliency priorities, the agency will prioritize domestic production, embed economic development into major category strategies, and anchor procurement in Ontario-made and Canada-made goods, where permitted. Supply Ontario will support the advancement of the Buy Ontario Act, leveraging public sector procurement to fuel job creation, support Ontario businesses, strengthen market competitiveness, and facilitate economic development.

Supply Ontario will also play a central role in the Protect Ontario agenda by strengthening supply chain sovereignty, reducing exposure to geopolitical shocks, and ensuring stable access to critical goods. In addition, the agency will support policy and legislative modernization efforts to simplify procurement rules, reduce red tape, improve centralization outcomes, and enhance fairness, accessibility, and efficiency across the public sector.

Public Sector Leadership

Delivering on this transformation agenda requires a capable organization and a culture of continuous improvement. Supply Ontario will continue to strengthen its internal capacity through enhanced governance, financial management, and workforce strategies that attract and retain top talent in procurement, analytics, and supply chain operations. The agency will also continue to strengthen its performance measurement and benefits realization framework to more effectively track, assess, and communicate the value of its initiatives. This framework will guide

decision-making, improve transparency, and ensure that the agency's activities deliver tangible outcomes for Ontarians.

Supply Ontario will also advance its role as a thought leader in public sector procurement and contracting by facilitating knowledge sharing across sectors. Through advisory support, training and communities of practice (COPs), the agency will help public sector partners adopt best-in-class approaches, including strategic category management, competitive and transparent sourcing, outcome- and performance-based contracts, standardized procurement tools, and rigorous vendor and contract management. By promoting these approaches, Supply Ontario will support more consistent, high-quality

procurement outcomes. This leadership will be complemented by continued support for government policy modernization, including updates to procurement directives and frameworks that streamline processes, reduce administrative burden and remove barriers for buyers and suppliers alike. Looking ahead, Supply Ontario remains focused on delivering measurable outcomes for the province, achieving savings, strengthening domestic capacity, and modernizing procurement for the long term. By advancing its strategic priorities through centralization, modernization, and leadership, the agency will continue to deliver on its mandate with transparency, accountability, and a commitment to public value.

| | Theme 1: Grow and Achieve Efficiencies by Centralizing the Province's Buying Power | Theme 2: Transform and Modernize Public Sector Supply Chain and Procurement Landscape | Theme 3: Advance Supply Ontario as the Leading Authority for Public Sector Procurement |
|------------|---|---|--|
| Priorities | 1.1 Expand and evolve VOR Program offerings to meet emerging market demands through strategic engagement, education, and collaboration. | 2.1 Strengthen provincial readiness for supply chain disruptions, health emergencies, and global risks. | 3.1 Strengthen organizational capacity and operations. |
| | 1.2 Deliver and grow the Ontario Strategic Inventory Program. | 2.2 Transform the ecosystem and reduce red tape within the provincial landscape. | 3.2 Champion excellence in Ontario's public procurement. |
| | 1.3 Advance centralization across the procurement ecosystem by leveraging digital tools, shared data, and strategic frameworks. | 2.3 Leverage technology and data to enhance procurement efficiency and outcomes. | 3.3 Strengthen governance, accountability, and performance measurement. |
| | | | 3.4 Strengthen strategic partnerships across the public sector procurement ecosystem. |

Mandate, Vision, Mission, and Values

Mandate

Supply Ontario is a provincial agency established under O. Reg. 612/20, pursuant to the SCMA. The agency is mandated to ensure that covered public sector entities in Ontario have access to high-quality goods and services that are procured in a cost-effective manner and at the best possible value, in line with government objectives for operational efficiency and fiscal accountability.

These entities include:

- **Government** – such as ministries, provincial agencies, the Independent Electricity System Operator, and Ontario Power Generation and its subsidiaries.
- **Broader public sector (BPS)** – such as hospitals, school boards, universities and colleges, children's aid societies, as well as GPOs/SSOs controlled by these BPS entities that solely or primarily procure for these entities.

Supply Ontario's key responsibilities and obligations are outlined in the SCMA and O. Reg. 612/20 and can be summarized as follows:

- **Centralized Procurement:** Supply Ontario is responsible for centralizing procurement across provincial public sector entities. This involves coordinating and managing procurement activities, overseeing provincial supply chain management needs, and ensuring consistency and best value in the acquisition of goods and services for Ontario's public sector. By centralizing procurement, the agency maximizes the collective buying

power of Ontario's public sector entities, leading to significant cost reductions and greater efficiencies.

- **Supply Chain Data Collection:** It is the agency's responsibility to collect and analyze detailed supply chain data from covered entities, including inventory levels and requirements; procurement plans and activities; supply chain opportunities, contingencies, and constraints; and vendor performance data. This information will be essential for monitoring and improving procurement practices, identifying inefficiencies, and ensuring that procurement is aligned with public sector goals.
- **Emergency Supply Procurement:** The agency is responsible for managing the provincial strategic inventory, including PPE and Critical Supplies and Equipment (CSE), and ensuring these supplies are available when needed. This role becomes particularly crucial in times of public health emergencies or disasters, where rapid procurement and distribution of essential goods is necessary to ensure public safety.
- **Vendor Management:** Supply Ontario must manage vendor relationships effectively, ensuring suppliers meet performance standards and deliver value for public sector contracts. This includes overseeing vendor compliance with contracts, addressing issues related to delivery, and maintaining competitive pricing across contracts.

- **Promoting Efficiency and Reducing Duplication:** Supply Ontario is mandated to reduce fragmentation and eliminate duplication in public sector procurement, ensuring streamlined processes and faster delivery of goods and services. This mandate helps to achieve greater coordination and efficiency across the public sector procurement ecosystem, preventing unnecessary expenditure and administrative burden.
- **Supporting Local Businesses and “Buy Ontario”:** Supply Ontario plays a key role in using public sector procurement to support Ontario businesses and workers and strengthen provincial supply chains. In alignment with the Buy Ontario Act, the agency will, where permitted, give appropriate preference to Ontario and Canadian suppliers, helping to drive economic development, promote innovation and build domestic capacity for Ontario-made goods and services, while advancing a more competitive, resilient and self-reliant provincial economy that is protected against trade-related risks and global supply disruptions.

Beyond its core mandate, Supply Ontario is entrusted with additional obligations to promote accountability, transparency, and efficiency. These include ensuring compliance with all applicable legislation, regulations, policies, directives and government direction, such as the SCMA and *Accessibility for Ontarians with Disabilities Act, 2005* (the “AODA”); conducting procurement fairly with equal opportunities for suppliers and clear documentation of relevant activities; and reporting activities regularly to government entities to ensure optimal oversight and achievement of objectives.

Vision, Mission, and Values

Supply Ontario's *Vision, Mission, and Values* guide its operations and strategic direction, ensuring that the agency's efforts align with the broader objectives of the province.

Vision: *Harness Ontario's buying power to enable **economic development**, province-wide **resilience** and produce **value** for Ontarians.*

Mission: *Bring cohesion to the public sector supply chain by embracing innovation and leveraging diverse partnerships and relationships with suppliers.*

Values: *Our values are driven by our commitment to our partners, stakeholders, and each other to achieve the best outcomes for Ontarians:*

- **Collaboration** – Partnering with stakeholders to align procurement strategies, share goals, maximize resources, and streamline processes for public sector benefit.
- **Trust** – Building and maintaining trust through integrity and accountability, and upholding public confidence in its stewardship of public funds.
- **Excellence** – Fostering a culture of excellence and continuous improvement, aiming to deliver high-quality services and achieve the best possible outcomes for Ontario's public sector entities and taxpayers.

Three-Year Strategy and Implementation Plan

As Supply Ontario looks ahead to the next three years, the agency continues to pursue the government's vision for provincial supply chain centralization and transformation. Building on the strong progress made in establishing the foundations to deliver on this vision, the

agency's three-year strategy, reflected in the themes, priorities, and activities outlined in this Business Plan, is centred on deepening this work and advancing the agency towards greater measurable results and lasting impact.

AI Scribe VOR Arrangement

In a collaborative partnership, Supply Ontario, the Ministry of Health (MOH), Ontario Health and OntarioMD jointly launched a VOR arrangement for AI Scribe solutions, a first-of-its-kind initiative. AI scribes are transforming clinical workflows by automating note-taking, reducing clinician workload and freeing up time for patient care. Ontario's first AI Scribe Evaluation Study, funded by the MOH in 2024, showed a 70% reduction in documentation time during clinical encounters and an average of four hours saved per week for participating clinicians. Launched in June 2025, the VOR arrangement simplifies access to 18 qualified solutions at discounted rates, and offers expert guidance, showcasing how centralized procurement can enhance service delivery while fostering innovation. This initiative is part of Ontario's broader strategy to promote the responsible and effective adoption of digital health technologies. The VOR arrangement has generated robust interest and is open to all healthcare providers, organizations, entities, and the broader public service.

While Supply Ontario remains focused on advancing its priorities, its efforts are equally directed towards supporting the broader objectives of the province. As a partner to government, the agency is committed to leveraging its capabilities, expertise, and relationships to help achieve Ontario's overarching goals. This includes:

- **Protect Ontario** – Building domestic capacity and prioritizing the promotion of economic resilience and reducing exposure to global risks and uncertainty.
- **Deliver Better Services** – Focusing on user-centred design, digital modernization, and process simplification to improve client experience, enhance efficiency, and eliminate unnecessary red tape.
- **Drive Innovation and Value for Money** – Leveraging technology and continuous improvement to deliver innovative solutions, improve productivity, and ensure the effective use of public resources.

Buy Local/Protect Ontario

Ontario is advancing an Ontario-first "Buy Ontario" approach that leverages roughly \$30 billion in annual public sector procurement to support Ontario businesses, workers and domestic supply chains; strengthen local industries; and build a more competitive, resilient and self-reliant provincial economy.

The Buy Ontario Act gives the provincial government the authority to issue procurement directives requiring public sector entities to give preference to Ontario- or Canada-made goods and services, implement vendor-performance standards, meet reporting requirements, and comply with enforcement measures established under the Act. The legislation also enables limits on supplier eligibility where necessary to support or protect Ontario businesses.

With the introduction of this Act, Supply Ontario will promote applicable Ontario-made and Canadian goods and services, in alignment with any policy direction provided by the government, while maintaining fair, transparent, and value-for-money procurement practices. The Act reinforces the province's goal of using public sector procurement as a tool to promote economic development, safeguard supply chain resiliency, and strengthen Ontario's manufacturing base. It provides a legislative foundation for a coordinated provincial approach that can be supported through policy, directives, compliance reviews, and publicly reported outcomes. Complementing this, Ontario's Procurement Restriction Policy (PRP) reinforces the province's commitment to domestic supply chain resilience by limiting new procurements from U.S. suppliers in response to U.S. trade actions and directing ministries and designated BPS entities to prioritize Ontario and Canadian businesses wherever possible. This policy supports the shift towards an Ontario- and Canada-centric procurement approach, strengthens local production capacity, reduces exposure to global supply disruptions, and aligns with emerging domestic supply strategies. It also increases the need for coordinated guidance, oversight, and compliance across public sector entities—areas where Supply Ontario plays a critical leadership role.

In parallel, Supply Ontario's DPS will simplify how Ontario suppliers register, bid and do business with the public sector, expanding market opportunities for small, medium and diverse vendors and improving transparency and data for public sector buyers. By embedding Ontario-first considerations, this strengthened framework will encourage the use of Ontario and Canadian suppliers across capital infrastructure, health, and education projects, including through new domestic supply chain evaluation criteria and attestation requirements.

By aligning economic policy with supply chain resiliency and value for money, Ontario is embedding an Ontario-first approach into how the public sector buys and builds. Through this work, Supply Ontario is helping drive a more secure, competitive, and sustainable provincial economy that delivers lasting value for Ontarians.



Theme 1 – Grow and Achieve Efficiencies by Centralizing the Province's Buying Power

Delivering Value for Ontarians

This theme aligns with the Minister's *Delivery* priorities outlined in Supply Ontario's 2026-27 Annual Letter of Direction (ALOD), focusing on delivering centralized public sector procurement and supply chain services that create value for Ontarians. Outside the *Delivery* priorities, this theme also emphasizes collaboration with partners to reduce fragmentation, and integrating procurement across the landscape, where appropriate. Relevant ALOD priorities reflected in this theme include:

- **Expanding purchasing power** by further centralizing Ontario's public sector spend, increasing utilization of the Supply Ontario VOR Program, and working with key ministry partners to strategically expand to key sectors.
- **Sustaining the PPE/CSE strategic inventory** and demonstrating operations excellence and effective management of provincial stockpile operations.
- **Providing quality services** to OPS ministries, while scaling to broaden support for other covered entities.
- **Reducing fragmentation** and increasing collaboration in Ontario's public sector supply chain.
- **Advancing broader government priorities** on accessibility, AI, and cybersecurity.

Supply Ontario continues to strengthen its role as the province's central procurement authority, driving efficiencies and creating measurable value for Ontario. In alignment with provincial direction, the agency continues to centralize public sector procurement to enhance Ontario's purchasing power, secure essential supplies, and advance strategic priorities like economic development, accessibility, and innovation. Centralization is a tool allowing the Ontario government to redirect savings to frontline services and improve outcomes for Ontarians.

The next three years mark a pivotal phase for Supply Ontario. With core capabilities in place, the agency will build a framework for extending centralization benefits across the broader public sector, while maintaining operational excellence and public accountability. Using its legislative authority under sections 20 and 21 of O. Reg. 612/20, the agency will proactively collect procurement data and sector-specific requirements to identify strategic centralization opportunities, expand utilization of VOR arrangements, and increase spend under management. This approach aims to deliver greater value for public sector entities through a more unified procurement ecosystem.

a. Strengthen Purchasing Power by Further Centralizing Ontario's Public Sector Spend

Harnessing Ontario's collective purchasing power is central to Supply Ontario's mandate. By consolidating demand across ministries, provincial agencies, and public sector entities, the agency will reduce duplication, increase buying strength, and maximize the value of every procurement dollar.

Supply Ontario's VOR Program has grown to \$16.8B in contracts under management. This represents a 130% increase in FY 2026-27 and 300% growth since mid-2023. However, on an annualized basis, this represents less than \$2B of the more than \$30B in annual public sector procurement. Over the next three years, Supply Ontario will **expand and evolve its VOR Program**, increasing participation and managed spend. The agency will also strategically deepen collaboration with and expand centralized contract benefits to high-impact sectors like municipalities to enable increased use of enterprise contracts.

Through this work, Supply Ontario will:

- **Grow sector adoption** by strengthening collaboration with health, learning, and municipal partners to make enterprise contracts the preferred procurement method for major spending.
- **Strengthen category management** by ensuring procurement strategies are driven by data, responsive to market trends, and aligned with long-term public sector priorities.
- **Enhance collaboration with GPOs/SSOs** to eliminate duplication, align procurement strategies, and maximize system-wide value.
- **Pursue expansion opportunities strategically** and **maintain engagement** with ministry, public sector, and partner stakeholders to support efficient implementation of VOR Program expansions.

To support these goals, the agency will leverage shared data and analytics to demonstrate tangible savings, cost avoidance, and improved service delivery. As the agency continues to scale, it will

End User Computing Devices and Services VOR Arrangement

In October 2025, Supply Ontario launched its End User Computing (EUC) Devices and Services VOR arrangement, a centralized contract for end-user computing products and services benefiting all public sector entities. Through this VOR arrangement, public sector entities have access to comprehensive product and service offerings, expert onboarding guidance, and seamless integration support that will ensure business continuity, offer service enhancements, and optimize value for public sector buyers.

Key benefits include:

- Access to qualified vendors, including top Original Equipment Manufacturers (e.g., Dell, Lenovo, Apple) and authorized resellers;
- Professional and timely customer support, favourable and predictable rates, issue resolution, and technical support;
- Cost reductions, and full alignment with public service procurement directives; and
- Dedicated program onboarding support from Supply Ontario.

maintain fairness, transparency, and accessibility, ensuring consistent standards of excellence across the province.

b. Grow and Sustain the Ontario Strategic Inventory

Supply Ontario plays a critical role in Ontario's emergency preparedness through its management of the Ontario Strategic Inventory. This work protects the health and safety of public sector workers and strengthens the resilience of Ontario's supply chains.

Building on past success, the agency will develop a coordinated warehousing and logistics network to modernize how critical supplies are stored, managed, and distributed. This strategy will streamline provincial warehousing, create a more agile distribution system, and enhance inventory management.

Supply Ontario will:

- Ensure reliable **access** to high-quality PPE/CSE, vaccines, and pharmaceuticals to mitigate shortages and support system readiness.
- Embed performance metrics and quality assurance to demonstrate **operational excellence** and quality assurance across the supply chain.
- Collaborate and communicate with stakeholders and partners to align **supply planning** and inventory management, ensuring preparedness for surges or emergencies.
- Grow the **Ontario Strategic Inventory Program**, adding new product categories and leveraging domestic manufacturing to boost supply chain sovereignty and support Ontario jobs.

Through these actions, Supply Ontario will maintain a sustainable, transparent, and resilient model, positioning Ontario as a leader in public sector emergency preparedness and supply chain management.

c. Continue Providing Quality Services to OPS Ministries while Scaling Support for Public Sector Entities under the SCMA (2019)

Supply Ontario will continue to deliver high-quality services to OPS and public sector

clients while expanding its reach to a broader network of public sector entities under the SCMA. These entities include hospitals, school boards, universities and colleges. The agency will work closely with the government to identify opportunities to evolve the legislative framework and to scale support to other public sector entities, including long-term care homes, municipalities and municipal entities. The agency's service delivery model focuses on reliability, collaboration, and measurable value.

Regional Warehousing Strategy

Supply Ontario is expanding Ontario's warehousing network to strengthen the province's ability to store and distribute critical supplies when and where they are needed most. Through its Ontario Strategic Inventory, the agency ensures readiness for public sector partners during health emergencies, seasonal surges, and other supply chain disruptions, while operating a modernized, rationalized stockpile that prevents future accumulation and reduces cost.

Building on its long-term Warehousing Strategy, Supply Ontario has established a new regional model with planned facilities in Thunder Bay, Innisfil, and locations west and east of the Greater Toronto Area. This approach replaces approximately 40 standalone pandemic-era warehouses with a coordinated provincial network that improves delivery times, reduces costs, and enhances 24/7 emergency response capability across Ontario. This model uses a single third-party logistics provider and integrated distribution system, eliminating legacy tractor-trailer storage and outdated warehouse contracts. It also supports a living stockpile, with inventory rotated, refreshed, and distributed regularly to hospitals, public health units, schools, and other users to ensure product quality and ongoing readiness.

The Ontario Strategic Inventory is now composed of 98% Ontario-manufactured PPE, strengthening supply chain resiliency and supporting Ontario manufacturing jobs. By modernizing operations and managing the Ontario Strategic Inventory, Supply Ontario is helping safeguard the province's supply chain, ensuring reliable access to essential goods for public services, and advancing Ontario's commitment to a resilient, centralized system that protects communities across the province.

ensuring clients' access to efficient procurement channels and high-performing contracts.

Over the next three years, Supply Ontario will:

- **Maintain exceptional service** for OPS ministries, providing competitive contracts and responsive procurement support.
- **Scale advisory and procurement services**, helping public sector entities leverage our centralized procurement expertise.
- **Boost client engagement** through targeted outreach, training, and sector-specific collaboration to promote the advantages of centralization.

This evolution marks the next phase of the agency's growth, from building internal capacity to leading a unified procurement network across Ontario's public sector.

d. Support and Advance Broader Government Priorities

Supporting Ontario's broader goals, the agency helps protect Ontario's economy, strengthen communities, and modernize public services. Accessibility remains one of the core principles, with all procurement processes complying with the AODA to ensure equitable, barrier-free participation. Through clear and inclusive public-facing communication, the agency promotes visibility and engagement on procurement opportunities for suppliers and clients across the province. The agency will also use **cybersecurity, data protection, and data sharing** to enhance procurement efficiency while maintaining the integrity of public processes.

Looking Ahead

The agency's centralization strategy supports the government's agenda while maximizing

value and public sector efficiency. By expanding the VOR Program, improving governmental purchasing power, maintaining strategic inventory, and scaling services, the agency will continue to lead and deliver tangible benefits for Ontario and its taxpayers. Through this next phase of growth, Supply Ontario reaffirms its commitment to a unified, transparent, and high-performing procurement ecosystem, one that creates public value, protects the provincial economy, and prepares Ontario for the future.

Priorities

The agency's priorities for this theme include:

- 1.1 Expand and evolve VOR Program offerings to meet emerging market demands through strategic engagement, education, and collaboration:** Develop, maintain, and refresh VOR arrangements and category strategies to align with evolving client needs and market trends, while accelerating adoption across the public sector.
- 1.2 Deliver and grow the Ontario Strategic Inventory Program:** Manage Ontario's strategic inventory through coordinated warehousing, distribution, and logistics strategies, ensuring readiness and resilience.
- 1.3 Advance centralization across the procurement ecosystem by leveraging digital tools, shared data, and strategic frameworks:** Use measures and tools to increase spend under management and showcase the value of centralization to government and public sector partners.

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|---|--|
| 1.1 Expand and evolve VOR Program offerings to meet emerging client and market needs through strategic engagement, education, and collaboration | Collect and understand client needs via regular engagement with public sector buyers to promote and increase uptake of new/updated VOR arrangements. | Analyze client feedback and adoption patterns to adjust and accelerate the rollout of VOR arrangements, working with stakeholders to ensure offerings align with sector needs and strengthen domestic supplier participation. | Scale and sustain high-impact VOR arrangements across sectors, ensuring responsiveness to evolving trends while expanding opportunities for suppliers. |
| | Grow VOR Program offerings to better respond to emerging client and market needs. | Continue to identify opportunities for new VOR Program offerings to respond to client needs in alignment with marketplace. | Sustain and expand VOR Program offerings by identifying more opportunities and scaling identified and successful opportunities, ensuring responsiveness to evolving client and market needs. |
| | Develop and implement category strategies that align with client needs, ensuring optimal value delivery and long-term business alignment. | Implement and adjust category strategies based on client needs and market dynamics, accelerating or scaling approaches that demonstrate strong value and alignment with long-term objectives. | Expand category strategies, ensuring they remain responsive to evolving needs while driving sustained value and strategic alignment for Ontario's public procurement ecosystem. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|---|
| 1.1 Expand and evolve VOR Program offerings to meet emerging client and market needs through strategic engagement, education, and collaboration | <p>Host educational, outreach, and training sessions for vendors on new and continuing initiatives.</p> <p>Assess and adjust content and frequency of vendor educational programs and workshops offered to reflect client needs and feedback.</p> | <p>Continue ongoing vendor education, outreach, and training services, adapting materials and approaches in response to participant needs and sector developments.</p> <p>Explore opportunities to refine and expand vendor educational programs and workshops based on assessment outcomes, ensuring alignment with client priorities and sector developments.</p> | <p>Offer continuous training opportunities for vendors, reviewing and enhancing content and tactics to ensure relevance and long-term impact.</p> <p>Enhance and broaden vendor education programs and workshops in line with assessment findings, aligning delivery with client priorities and emerging sector trends.</p> |
| | <p>Implement government direction on GPO/SSO collaboration to leverage centralized procurement opportunities on an ongoing basis.</p> | <p>Advance government priorities by strengthening GPO/SSO collaboration and setting the standard for centralized procurement opportunities across the public sector.</p> | <p>Deliver on government direction for GPO/SSO collaboration, scaling centralized procurement opportunities and demonstrating measurable efficiencies and value across the public sector.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|---|---|--|
| 1.2 Deliver and grow the Ontario Strategic Inventory Program | <p>Transition the Ontario Strategic Inventory Program to the new centralized warehousing and distribution network.</p> | <p>Work with partners to align PPE/CSE categories and optimize distribution across the province.</p> | <p>Optimize the end-to-end operation and implementation of the warehousing and distribution strategy.</p> |
| | <p>Work with partners to:</p> <ul style="list-style-type: none"> • identify additional products and explore opportunities to grow categories that can be added into the Ontario Strategic Inventory. • leverage Supply Ontario's provincial distribution and logistics capabilities in support of government priorities. • grow and modernize the pharmacy distribution program. | <p>Work with partners to:</p> <ul style="list-style-type: none"> • maintain and diversify the Ontario Strategic Inventory/Stockpile to reflect emerging needs. • strengthen use of Supply Ontario's provincial distribution and logistics capabilities in support of government priorities. • expand and enhance the pharmacy distribution program to meet sector needs. | <p>Work with partners to:</p> <ul style="list-style-type: none"> • broaden the range of products maintained in the Ontario Strategic Inventory. • optimize Supply Ontario's provincial distribution and logistics capabilities to support long-term government priorities. • advance modernization of the pharmacy distribution program to ensure long-term sustainability. |
| | <p>Engage with government partners on domestic investment and procurement opportunities to ensure resiliency of PPE/CSE supply chains and support jobs.</p> | <p>Support government priorities by promoting Ontario- and Canada-based PPE/CSE production, engaging in joint initiatives that secure supply resiliency and employment.</p> | <p>Advance long-term strategies with government partners that anchor PPE/CSE resiliency in domestic investment, ensuring sustainable supply chains and job growth.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|--|---|
| 1.2 Deliver and grow the Ontario Strategic Inventory Program | Share updates of Supply Ontario's new facilities and expansions with partners, highlighting how they enhance our service to the public sector. | Provide continuous progress updates of Supply Ontario's facilities and expansions to partners, underscoring improvements in service to the public sector. | Showcase facility developments and expansions to partners, demonstrating how investments improve capacity, resiliency, and service delivery across the public sector on an ongoing basis. |
| | Adjust Health Supply Shortages program to reflect operational needs across the healthcare continuum of care and reflect client input. | Advance benefits realization as part of the category strategy. Implement supply chain strategies for critical and vulnerable drugs and key supply shortages. | Continue to advance benefits realization as part of the category strategy. Continue implementing supply chain strategies for critical and vulnerable drugs and key supply shortages. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|---|---|---|
| 1.3 Advance centralization across the procurement ecosystem by leveraging digital tools, shared data, and strategic frameworks | Consult with buyers and sellers to determine effectiveness of approach to one-window service framework and determine potential expansion of services. | Review the progress made by the one-window service approach and identify key areas for improvement. | Implement identified improvements to the one-window service approach and track their impact on service quality and client satisfaction. |
| | Assess Supply Ontario's VOR Program uptake, based on current tools, enhance procurement experience for VOR Program users, and identify challenges and opportunities for improvements. | Continue reviewing and adjusting tools to improve Supply Ontario's VOR Program uptake as needed, creating an improved experience for VOR Program users. | Provide high-quality experience for VOR Program users, leveraging an ongoing identification and resolution of challenges, review and adjustment to tools, and improve VOR Program uptake as needed. |
| | Advance accessibility in Supply Ontario's service delivery in adherence with the AODA. | Continue to advance accessibility in Supply Ontario's service delivery in adherence with the AODA. | Continue to advance accessibility in Supply Ontario's service delivery in adherence with the AODA. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|---|--|
| 1.3 Advance centralization across the procurement ecosystem by leveraging digital tools, shared data, and strategic frameworks | Support and leverage initiatives and tools that improve procurement experiences, including AI. | Create and implement ongoing improvements to the procurement experience by acting on feedback and expanding access to streamlined processes. Build on initiatives and tools that strengthen procurement, with a focus on scaling AI applications and reinforcing cybersecurity measures. | Sustain and scale enhancements to the procurement experience for VOR Program users, ensuring responsiveness to evolving client needs. Institutionalize the use of advanced AI and cybersecurity tools and initiatives to deliver secure, efficient, and modern procurement solutions. |
| | Leverage data sharing to improve understanding of different partners and identify opportunity areas for agency centralization. | Utilize shared data to deepen knowledge of partner activities and highlight opportunities for advancing agency centralization. Utilize data to measure and enhance VOR Program adoption and performance. | Advance partnerships by sharing back standardized data and analytics, providing partners with insights that strengthen adoption and strategic growth. |



Theme 2 – Transform and Modernize Public Sector Supply Chain and Procurement Landscape

Building a Resilient Provincial Procurement Landscape

This theme aligns with the Minister's *Transformation* priorities outlined in Supply Ontario's 2026-27 ALOD. It advances a multi-year approach to modernizing and strengthening Ontario's public sector procurement and supply chain system, with a focus on value for money, resilience, and economic growth. It also reflects Supply Ontario's leadership role in strengthening preparedness for supply disruptions, emergencies, and global risks.

Relevant ALOD priorities reflected in this theme include:

- **Advance an Ontario- and Canada-centric procurement approach** that supports domestic industries and strengthens supply chain resilience.
- **Develop procurement and category strategies** that reduce supply chain risk and support economic development.
- **Support the ministry in the modernization of the provincial procurement policy and legislative framework** to advance streamlined, centralized procurement.
- **Enhance the buyer and supplier experience** through the implementation of the DPS.

- **Leverage enabling technologies, including AI**, to improve processes, analytics, and user experience.
- **Advance innovative and alternative procurement models** to support the adoption of innovation across the public sector.

Supply Ontario is leading the transformation and modernization of public sector procurement to create a more efficient and cohesive ecosystem. By centralizing processes, the agency ensures procurement is open, fair, and transparent for all suppliers. In alignment with the government's Buy Ontario mandate and the Buy Ontario Act, Supply Ontario is enhancing supply chain resiliency, reducing unnecessary red tape for businesses, and harnessing technology and data to improve procurement outcomes across the province.

Over the next three years, building on significant progress, Supply Ontario will accelerate its procurement modernization efforts through a multi-year plan focused on delivering greater value, driving innovation, and supporting economic development.

a. Encourage Adoption of an Ontario- and Canada-centric Procurement Approach that Protects the Province, Supports Opportunities for Domestic Industries, Businesses and Products, and Builds Resiliency into Public Sector Supply Chains

Building a resilient public sector supply chain starts with a strong domestic foundation. Supply Ontario is advancing a provincially focused procurement strategy that strengthens local industries, ensures access to critical goods, and protects Ontario from global disruptions.

Over the next three years, the agency will:

- Leverage the estimated \$30 billion of annual procurement spend to strengthen Ontario's **domestic supply capacity** by sourcing critical goods from Ontario-based manufacturers and expand **local production** of goods vulnerable to trade disruptions resulting from U.S. tariffs.
- Advance procurement practices that prioritize Ontario and Canadian suppliers under the **Buy Ontario Act** and continue promoting the **Industrial Regional and Technology Benefit (IRTB)** to drive domestic innovation and economic growth.
- Develop and implement category strategies that grow the **provincial economy**, provide opportunities for **Ontario businesses**, and expand **supplier diversity**.

Through these efforts, Supply Ontario is strengthening domestic supply chains, reducing reliance on international markets, and creating opportunities for Ontario industries and workers, embedding resiliency and inclusive economic growth into the foundation of the provincial supply chain.

b. Streamline and Modernize Ontario's Procurement Framework

Procurement transformation requires a modern policy and legislative foundation. Supply Ontario

will collaborate with the Ministry of Public and Business Service Delivery and Procurement (MPBSDP) and key partners to simplify and modernize Ontario's procurement framework.

Key initiatives include:

- Supporting the government's efforts to **evolve the legislative framework** to advance centralization and modernize

Ontario's procurement policy to support clarity, consistency, and simplicity for buyers and suppliers.

- Engaging regularly with public sector buyers, suppliers, and industry associations through **sector tables and COPs** to identify improvements and guide modernization efforts.

Our Advisory Services

Supply Ontario provides comprehensive supply chain advisory support to ministries, provincial agencies, health sector organizations, and broader public sector partners. The function enables a whole-of-government approach to procurement and additional support by coordinating activities across sectors, so public entities benefit from centralized procurement, shared expertise, and consistent guidance.

The agency's Supply Chain Advisory Services supports clients throughout the end-to-end procurement lifecycle, including additional supply chain activities, from early business case development and market analysis to competitive sourcing, evaluation, negotiation, contract award, and vendor and contract management. Supply Ontario provides formal guidance on supply chain management practices, leveraging legislative authority to collect procurement and vendor performance data, support compliance with provincial procurement requirements, and advise buyers on emerging policies, risk considerations, and process obligations, including in the context of new directives or emergency procurement conditions.

In addition to this core lifecycle support, Advisory Services helps clients adopt modern procurement approaches, such as negotiated processes, best-value evaluations, and outcome-based sourcing. Drawing on deep knowledge of Ontario's supplier landscape, the function strengthens market engagement, improves competition, and expands access to innovative solutions that contribute to resilient, high-performing supply chains.

Through this work, Supply Ontario helps public sector partners acquire the goods, services, and solutions they need at the right time and cost, strengthening value for money, driving efficiencies, and advancing government priorities. This support reinforces a consistent, transparent, and high-quality procurement environment across the public sector, enhancing supply chain integrity and long-term resiliency across Ontario's system.

- **Strengthen collaboration with GPOs and SSOs** to reduce fragmentation, harmonize category strategies, and improve system-wide coordination.

By streamlining frameworks and aligning procurement practices across sectors, Supply Ontario will create a simpler, more cohesive procurement environment that enables faster decision-making, better outcomes, and greater value for Ontarians.

c. Transform Supply Chain Experience through the DPS

Modernization requires efficient, transparent, and collaborative systems. Supply Ontario

is building a digital-first procurement environment, the **DPS**. This single, user-friendly, AI-enabled, digital platform will transform public sector procurement and deliver greater value, consistency, and innovation for Ontario's public entities.

Over the coming years, Supply Ontario will implement the DPS in phases to select public sector entities, creating a seamless and connected supply chain across the public sector. The agency will also continuously improve the DPS to ensure it drives innovation, enhances user experience, and delivers productively and efficiently.

- Enhancing cybersecurity to safeguard supply chain data and maintain public trust; and
- Providing a single, integrated digital platform for the Ontario public sector, offering suppliers a unified, one-window access point to discover opportunities and engage seamlessly with government.

The DPS is a key tool to strengthen supply chain resiliency, improve operational efficiency, and drive a more effective and responsive Ontario government. By modernizing public sector procurement, Supply Ontario is creating a smarter, more connected, and more resilient system that delivers lasting value for Ontarians.

Supply Ontario's Digital Procurement Solution

Supply Ontario will implement Ontario's first **DPS**, a one-stop digital platform that will transform how vendors engage and conduct business with government. This solution enables organizations to procure goods and services from suppliers more efficiently, creating a more transparent and streamlined procurement process and additional supply chain processes. The DPS will simplify procurement across more than 6,000 entities by replacing multiple legacy systems with a single, user-friendly solution that streamlines procurement, contract management, vendor management, and other key processes. Through a phased rollout, the system will sequentially onboard OPS and public sector entities and integrate existing tools, such as the Ontario Tenders Portal and Registry, Appraisal and Qualification System (RAQS), to create a modern, connected solution for all stakeholders over the coming years. The agency remains committed to ensuring that the DPS continues to evolve to meet present and future needs by:

- Streamlining procurement processes and accelerating supplier access and qualification, while advancing centralization and fostering greater collaboration;
- Delivering an end-to-end digital solution that enhances user experience, drives innovation, and enables advanced data and analytics;
- Reducing administrative burden for suppliers and clients through simplified, transparent processes;

d. Leverage Technology and Data to Enhance Procurement Outcomes

By integrating advanced analytics, automation, and secure digital infrastructure, Supply Ontario will deliver smarter, data-driven procurement that results in better outcomes for buyers, suppliers, and the public. Over the next three years, the agency will:

- Integrate **supplier diversity tracking, analytics, and performance dashboards** into operations to improve transparency and accountability.
- Use **automation and AI** to streamline administrative processes, enhance forecasting, and deliver real-time data insights.
- Strengthen **cybersecurity and data governance** to protect sensitive procurement information and maintain public confidence.

By leveraging digital tools, Supply Ontario will reduce administrative burden, expedite procurement cycles, and deliver a more efficient, data-informed, and secure experience, setting a new standard for public sector procurement delivery in Ontario.

e. Advance Innovation and Strategic Procurement Models

Modern procurement must be agile, future focused, and innovation driven to support Ontario's economy. Supply Ontario will accelerate the adoption of new procurement models that foster innovation and enable response to emerging needs. The agency will:

- Support the MOH **Health Innovation Pathway** by providing supply chain expertise, advisory services, and implementation support for innovative health technologies.
- Promote **ready-to-procure Ontario innovations** through pilot programs, strategic partnerships, and targeted communications with ministries and sector partners.
- Collaborate with ministries and sector organizations to **advance procurement models and integrate procurement modernization** in ensuring delivery of measurable efficiencies and system-wide benefits.
- Support **Buy Ontario** priorities by delivering programs that advance domestic procurement for public sector entities, including the vehicle fleet program.

These initiatives will position Ontario as a leader in innovation-driven procurement, bringing new ideas into the public sector, stimulating local markets, and delivering long-term public value through creative, evidence-based purchasing.

Looking Ahead

Supply Ontario's transformation efforts are focused on building a cohesive, future-ready procurement ecosystem that supports government priorities, economic resilience, and

public trust. Looking ahead, Supply Ontario will prioritize continuous improvement by leveraging data, performance measurement, and stakeholder feedback to refine its modernization strategies, demonstrate measurable impact, and lead a modern procurement ecosystem.

Made-in-Ontario Fleet Vehicle Policy

Supply Ontario is supporting MPBSDP and partner ministries in implementing Ontario's first Made-in-Ontario (MIO) Fleet Vehicle Policy, a key part of the government's broader Buy Ontario strategy. Under the proposed framework, the OPS, BPS, and municipalities will prioritize purchasing light-duty fleet vehicles manufactured in Ontario or by Ontario Vehicle Producers. The policy will leverage the public sector's purchasing power to strengthen Ontario's automotive sector, protect good manufacturing jobs, and build greater supply chain resilience.

The policy is expected to be supported by new VOR arrangements and modernized policy and legislative frameworks. Through a coordinated, province-wide approach to fleet procurement, the MIO Fleet Vehicle Policy aims to:

- Support Ontario's automotive sector by driving demand for locally produced vehicles and encouraging continued investment in manufacturing capacity
- Enhance supply chain resiliency by promoting domestic sourcing and reducing exposure to global market disruptions
- Advance consistency and compliance across OPS, BPS, and municipal fleets through a clear Ontario-first policy framework
- Deliver measurable economic value by reinvesting growth, innovation, and jobs back into Ontario communities

By incorporating provincial priorities into public procurement, Supply Ontario supports partners in promoting economic resilience, industrial development, and a stronger, more reliable supply chain.

Priorities

The agency's priorities for this theme include:

- 2.1 Strengthen provincial readiness for supply chain disruptions, health emergencies, and global risks:** Strengthen Ontario's supply chain resilience by prioritizing Ontario and Canadian suppliers for public sector procurement of critical goods, such as PPE and CSE.
- 2.2 Transform the ecosystem and reduce red tape within the provincial landscape:**

Streamline processes and procedures through policies and relevant initiatives to create a more efficient provincial landscape and support the removal of procurement barriers.

- 2.3 Leverage technology and data to enhance procurement efficiency and outcomes:** Invest in digital technology and platforms to optimize procurement processes and improve client experience across the public sector.

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|---|--|
| 2.1 Strengthen provincial readiness for supply chain disruptions, health emergencies, and global risks | Monitor the evolving geopolitical landscape and develop strategies to strengthen economic resiliency. | Assess the impacts of geopolitical developments on supply chains and adjust resiliency strategies to safeguard Ontario's economic and procurement interests. | Advance long-term resiliency measures by applying lessons from geopolitical shifts, scaling strategies that reinforce stability and position Ontario as a leader in economic preparedness. |
| | Identify and implement strategic options in conjunction with MBPSDP, to promote resiliency and strengthen Made-in-Ontario/Made-in-Canada production of critical goods, while ensuring fairness, transparency, and competitiveness in public procurement. | Build strategic partnerships across governments and industries to assess and adjust strategic initiatives in response to sector dynamics and data, scaling efforts to strengthen domestic production and bolster Ontario's and Canada's resiliency. | Monitor and advance policy measures to accelerate and scale strategic options, ensuring responsiveness to evolving dynamics and strengthening Ontario's and Canada's domestic production capacity. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|--|--|
| 2.1 Strengthen provincial readiness for supply chain disruptions, health emergencies, and global risks | Encourage adoption of an Ontario/Canada-centric approach across the public sector that protects Ontario, supports domestic businesses, and embeds resiliency principles into the provincial supply chain landscape. | | |
| | Operationalize supply chain resiliency strategies with Federal, Provincial, and Territorial partners (F/P/Ts). | Continue to operationalize supply chain resiliency strategies with F/P/Ts. | Continue to operationalize supply chain resiliency strategies with F/P/Ts. |
| | Develop strategies and engage stakeholders and partners to expand support for domestic economic development and reduce reliance on single suppliers through supplier diversity, including regional and Indigenous-owned firms. | Implement strategies to strengthen domestic economic development and apply supplier diversity initiatives that limit reliance on single suppliers, ensuring active participation of regional and Indigenous-owned firms. | Assess and scale support for economic development and limit reliance on single suppliers through supplier diversity initiatives and initiate co-developed supplier development programs with partners. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|---|---|
| 2.1 Strengthen provincial readiness for supply chain disruptions, health emergencies, and global risks | Identify barriers that limit the agency's ability to fully deliver on its mandate and propose legislative and non-legislative solutions to MPBSDP to reduce red tape and increase access to procurement opportunities. | Leverage opportunities and proposed measures to explore new avenues to enhance public sector procurement by reducing red tape and removing barriers across the province. | Measure the impact of enhanced access to procurement opportunities and identify further improvements as necessary. |
| | Implement the pilot approach for the IRTB strategy (for procurements valued at or above \$50M) to generate greater domestic economic opportunities for Ontarians. | Leverage lessons learned to bolster IRTB guidance and supporting documentation to reflect areas for optimization. | Adjust implementation of the IRTB and broaden its application to additional sectors. |
| 2.2 Transform the ecosystem and reduce red tape within the provincial landscape | Support MPBSDP to explore options to modernize the legislative and policy framework to support Supply Ontario's mandate. | Support the government to implement any changes to the legislative and policy framework, including guidance and direction to covered entities and ensure the efficient management of the provincial supply chain landscape. | Continue open consultations with buyers and the marketplace to address emerging needs, barriers and processes that can be improved through procurement modernization opportunities. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|--|
| 2.2 Transform the ecosystem and reduce red tape within the provincial landscape | Continue implementing new procurement modernization initiatives, focusing on supporting initiatives and tools to drive uptake of agency contracts, while providing guidance and promoting change management strategies. | Continue open consultations with buyers and marketplace to liaise on emerging needs, barriers and processes that can be improved through procurement modernization opportunities. | Ongoing consultations with buyers and the marketplace to liaise on emerging needs, barriers and processes that can be addressed through procurement modernization opportunities. |
| | Identify and implement procurement modernization opportunities to streamline processes and reduce pain points for buyers and vendors, based on feedback from sector tables, sector COPs, and stakeholder engagements. | Monitor, assess and continue to improve on procurement modernization initiatives based on feedback from stakeholders and partners. | Monitor, assess and continuously improve procurement modernization initiatives based on feedback from stakeholders and partners, demonstrating measurable benefits for buyers and sellers. |
| | Provide supply chain expertise for concierge, assessment, and implementation supports to the government's Health Innovation Pathway. | Provide supply chain expertise for concierge, assessment, and implementation supports to the government's Health Innovation Pathway. | Continue to provide supply chain expertise for concierge, assessment, and implementation supports to the government's Health Innovation Pathway. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|--|--|
| 2.2 Transform the ecosystem and reduce red tape within the provincial landscape | Accelerate the use of innovative procurement methods across the public sector. | Accelerate the use of innovative procurement methods across the public sector. Spread awareness of ready-to-procure domestic technologies through strategic partnerships. | Continue to accelerate the use of innovative procurement methods across the public sector. Continue to spread awareness of ready-to-procure domestic technologies through strategic partnerships. |
| | Support government partners in developing a policy framework for local procurement of OPS, BPS, and municipal vehicle fleets, ensuring alignment with the Buy Ontario Act trade obligations and provincial sustainability priorities. Support stakeholder consultations with municipalities, Ontario-based manufacturers, and sector associations to identify barriers, opportunities, and readiness for a phased adoption of local vehicle procurement. | Support the implementation and refinement of local procurement strategies and VOR Program usage on vehicle fleet purchases. | Support the evaluation and reporting of policy outcomes, including economic impact, supplier participation, and compliance with trade frameworks, recommending policy refinement accordingly. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|--|
| 2.2 Transform the ecosystem and reduce red tape within the provincial landscape | Gather, pilot, and modify modernization ideas and adopt at scale across the public sector. | Identify and implement procurement modernization changes on an ongoing basis to streamline public sector procurement processes and requirements. Test, refine, and promote modernization initiatives to stakeholders, demonstrating impact and preparing them for broader adoption across the public sector. | Identify and implement procurement modernization changes on an ongoing basis to streamline public sector procurement processes and requirements. Scale, integrate, and institutionalize proven modernization initiatives consistently across the public sector. |
| 2.3 Leverage technology and data to enhance procurement efficiency and outcomes | Onboard the first phase of public sector entities to the DPS. Develop phased onboarding plan for public sector entities. Develop a phased implementation plan for additional DPS functionalities. | Onboard additional entities per the phased DPS onboarding plan. Onboard additional DPS functionality per the plan developed. | Continue to onboard entities to the DPS. |
| | Implement supplier diversity measurement mechanisms into the DPS. | Assess and improve supplier measurement mechanisms. | Engage in continuous refinement and improvement of supplier measurement mechanisms. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|--|
| 2.3 Leverage technology and data to enhance procurement efficiency and outcomes | Consolidate data from OPS, BPS, and partners to strengthen the agency's ability to respond to procurement challenges and opportunities with current and market-informed intelligence. | Continue to consolidate data from OPS, BPS, and partners to strengthen the agency's ability to respond to procurement challenges and opportunities with current and market-informed intelligence. | Expand the delivery of trusted actionable market intelligence to additional sectors to support strategic procurement decisions. |
| | Expand digital experience functionality through the delivery of user-focused, data-rich experiences. | Ongoing improvements and updates of digital experience functionality through the delivery of user-focused, data-rich experiences. | Achieve and maintain an evolving digital experience that is responsive and personalized to meet our clients' needs. |
| | Create data products to support Supply Ontario's internal business needs. Integrate automation and responsible AI into the development of analytics products. | Expand the use of automation and AI in support of value-added analysis and reporting capabilities for prioritized use cases in the road map. | Advance to established use of automation and responsible AI in analytics and reporting ecosystem solution for the broader public sector. |
| Formalize data collection processes and standards for adoption by Supply Ontario partners, while advancing data standardization and harmonization. | Continue to iterate Supply Ontario catalogue for external partners' consumption and standardization. Introduce AI-assisted data validation and standardization. | Establish a unified framework for data collection that integrates external partners and embeds data governance tooling. | |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|--|--|
| 2.3 Leverage technology and data to enhance procurement efficiency and outcomes | <p>Refine and automate dashboards and scorecards to drive evidence-based decision-making.</p> <p>Enhance data visualization methods and improve data standardization.</p> | <p>Advance to AI/Machine Learning (ML) and predictive analytics to support Procurement Categories strategic planning.</p> | <p>Evolve analytics capabilities into proactive decision support tools.</p> |
| | <p>Implement user authentication and access controls to safeguard procurement systems and data, while enabling secure, efficient onboarding of partners and clients.</p> <p>Build capability for rapid development and deployment of procurement solutions, enabling Supply Ontario to respond quickly to business requirements and market opportunities without external development constraints.</p> | <p>Develop internal capability to optimize technology investments and drive digital innovation specific to procurement challenges, ensuring the agency can rapidly adapt to market changes and client needs without external dependencies.</p> | <p>Establish capability to explore and pilot emerging technologies for procurement optimization, positioning Supply Ontario as the thought leader in public sector procurement transformation through direct partnerships with technology innovators and industry leaders.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|--|---|
| 2.3 Leverage technology and data to enhance procurement efficiency and outcomes | <p>Evolve and maintain enterprise architecture blueprints to enable fully autonomous IT operations across infrastructure, applications, data, security, and integration layers.</p> <p>Establish a resilient technology foundation that enables the agency to innovate and adapt its services as mandates evolve.</p> <p>Build dedicated technology operations to ensure reliable service delivery and agile response to business needs without dependency on external providers.</p> | <p>Operate as a fully autonomous technology organization with complete control over all digital services to drive innovation at the pace demanded by market conditions.</p> <p>Maintain independent security and monitoring capabilities to protect digital assets and procurement intelligence.</p> | <p>Strengthen technology autonomy by scaling digital platforms, modernizing legacy systems, and accelerating innovation to anticipate and respond to organizational demands.</p> <p>Enhance security and monitoring capabilities by adopting advanced tools, expanding coverage, and embedding proactive threat detection across all systems.</p> |



Theme 3 – Advance Supply Ontario as the Leading Authority for Ontario Public Sector Procurement

Building a High-Performing Agency

This theme aligns with the Minister's *Corporate* and *Demonstrate* priorities outlined in Supply Ontario's 2026-27 ALOD. It focuses on strengthening the agency's operational foundations to advance Supply Ontario as Ontario's leading public sector supply chain authority, while ensuring transparent reporting of progress and outcomes. The theme emphasizes service excellence, effective stakeholder and partnership collaboration, and strong strategic and operational management across the organization.

Relevant ALOD priorities reflected in this theme include:

- **Strengthen Supply Ontario's operational capacity** to deliver on its mandate.
- **Complete implementation of independent Information and Information Technology (I&IT) and data infrastructure** to support operations and enable robust reporting.
- **Ensure organizational sustainability and operational effectiveness.**
- **Maintain a strong, people-centric organization** that supports the agency's culture and values.
- **Strengthen enterprise risk identification and mitigation.**

- **Apply a benefits realization methodology** aligned with leading supply chain practices.
- **Establish and implement a robust performance management and benefits realization framework** that is outcome focused and supports continuous improvement.

As Supply Ontario matures, there is a focus on strengthening the foundations for effective service delivery across the public sector procurement system. Enhancing capabilities, modernizing internal systems, and delivering measurable results are key to building internal excellence and reinforcing confidence in Supply Ontario's role as Ontario's leading public sector supply chain authority.

Over the next three years, the agency will modernize its systems, strengthen its governance and financial frameworks, and promote a culture of transparency, accountability, and continuous improvement. Supply Ontario will continue to provide expert guidance and support to the Ontario public sector through advisory services, category-specific working groups, and joint projects with OPS and public sector entities. Additionally, Supply Ontario will expand its COPs to address sector needs, foster collaboration and advance opportunities in public sector procurement.

Partnerships and stakeholder engagement remain a priority for Supply Ontario. Collaboration with the public sector entities is vital for system-wide change, enabling faster adoption of new processes and responsive communication. By working with partners on shared priorities like category management and data integration, Supply Ontario ensures changes are strategic, impactful and beneficial to Ontarians.

a. Strengthen Operational Capacity to Fulfill Supply Ontario's Mandate

Supply Ontario's success relies on a strong foundation for consistent, high-quality delivery. The agency will continue to build capacity by strengthening its workforce, governance, and financial systems to meet evolving client expectations and deliver value across the public sector.

From 2026-27 to 2028-29, the agency will:

- Complete the **transition to a fully operational enterprise** with defined business processes, roles, and service standards.
- **Advance modern accounting policies, financial controls, and internal audit processes** aligned with provincial standards for transparent reporting to Treasury Board/Management Board of Cabinet.
- **Manage public resources**, including **prudent fiscal management** by driving efficiencies, achieving cost reductions and cost avoidance, and delivering measurable financial benefits for government.
- Strengthen **workforce capacity** through targeted retention, training, and leadership development to foster a collaborative, inclusive, and accountable culture.
- **Embed financial sustainability considerations** into organizational planning, operations, and decision-making, ensuring resources are

Ontario Government Pharmaceutical and Medical Supply Services

In March 2025, Supply Ontario successfully integrated the Ontario Government Pharmaceutical and Medical Supply Services (OGPMSS), marking a major step towards centralizing Ontario's public sector supply chain. The OGPMSS team supports critical healthcare delivery by distributing vaccines, therapeutics, and pharmaceutical supplies to more than 3,800 clients across the province, including public health units, clinics, and hospitals. In the 2025-26 fiscal year alone, the team managed the province-wide rollout of the Respiratory Syncytial Virus (RSV) immunization program, delivering over 224,000 doses without interrupting care.

The integration of OGPMSS into Supply Ontario strengthens the province's centralized warehousing and distribution capabilities, ensuring Ontarians have timely access to critical medical supplies and reinforcing our mandate to deliver modern, reliable, and value-driven supply chain services.

utilized with a view to long-term viability and responsible stewardship of public resources.

These efforts will ensure Supply Ontario operates as a high-performing organization, supporting the province's growing procurement agenda while meeting client needs, stakeholder expectations and governmental requirements.

b. Implement Independent I&IT and Data Systems Infrastructure

A resilient digital and data environment is essential to the agency's efficiency and transparency. Supply Ontario will finalize its independent I&IT and data infrastructure to enable secure, integrated operations and data-driven decisions.

This includes:

- Deploying a **unified data framework** that links procurement, financial, and operational information across the agency.
- Introducing **secure, cloud-based applications** to automate workflows and strengthen cybersecurity, privacy, and information management.

- Using advanced analytics tools to track **benefits realization, performance, and forecasting**.

- Applying **data governance practices** and retention protocols that align with provincial directives and ensure compliance with the Freedom of Information and Protection of Privacy Act (FIPPA).

By embedding technology into daily operations, Supply Ontario will boost efficiency, strengthen accountability, and provide decision makers with accurate, real-time performance insights.

c. Enhance Operational Effectiveness

Operational excellence and sustainability underpin Supply Ontario's ability to deliver consistent results for Ontarians. Building on last year's progress, the agency will refine internal systems to strengthen efficiency, fiscal discipline, and proactive risk management.

Key priorities for the next three years include:

- **Accurate forecasting and cash management practices** to ensure responsible stewardship of public resources.
- Integrating **Enterprise Risk Management (ERM)** into planning and reporting to identify and address risks early.
- Enhancing **strategic inventory efficiency by using data** to optimize inventory levels and logistics.

- Improving **operational resilience** by aligning procurement, finance, and HR systems under unified governance structures.
- **Advancing provincial priorities internally** to support responsible resource management and workplace well-being.

These efforts will help Supply Ontario remain agile and efficient while delivering on its mandate.

Growth and Client Services Organizational Structure

As Supply Ontario advances its mandate, the agency is modernizing its internal structure to reflect its commitment to transparency, modernization, and measurable performance in its client-management operating model. The refreshed structure enhances accountability and better aligns the organization with its core measure of success—increased utilization of its programs and VOR arrangements across the public sector.

By consolidating capabilities across four organizational functions—**Business Development and Partnerships, Sales and Program Adoption, Customer and Supplier Services, and Strategy, Analytics and Performance**—the agency is establishing a unified Growth and Client Services model designed to improve both the quality and reach of its programs and service delivery. This new model:

- Creates a centralized, collaborative, and accountable structure focused on driving VOR Program adoption, utilization, and value;
- Ensures consistency in client experience delivery, supported by timely, coordinated responses;
- Integrates business development, sales, marketing, and customer service functions into a single, cohesive approach that supports program adoption;
- Clarifies roles and responsibilities across functions to enable stronger cross-functional collaboration; and
- Strengthens trust, dependability, and partnership with public sector entities.

d. Demonstrate Value through Transparency, Performance, and Continuous Improvement

Transparency and accountability are key to public trust. Supply Ontario will strengthen how it measures, reports, and communicates its impact, demonstrating tangible results from centralization, modernization, and operational initiatives.

The agency will continue to build its **comprehensive benefits realization and performance framework**, aligned with leading supply chain practices, to track outcomes such as cost reductions, efficiencies, supplier diversity, and service quality. Supply Ontario's VOR Program has grown to \$16.8B, a 130% increase over FY 2025-26 and a 300% increase since mid-2023—and is already delivering tangible benefits. The agency has further identified over \$1B in confirmed cost reductions over the life of these contracts, with savings expected to increase as program capacity expands, contract uptake grows across the BPS, and the agency continues to track and quantify the value generated.

Our benefits realization and performance framework will support:

- Continued **strong governance** through the Board of Directors and Executive Leadership Team, supported by robust risk and performance oversight.
- **Annual business plans and quarterly performance reports** to the Minister and Board, detailing short-term operational and long-term system-wide strategies; progress against corporate, ministerial, and business plan priorities; risks and mitigations; and financial status.

- **Regular benefits realization reviews** to ensure initiatives deliver clear value to clients and taxpayers.
- Ongoing **improvement cycles** informed by client feedback, internal audits, and lessons learned from major projects.
- Enhanced **communications and public reporting practices** to showcase achievements, share success stories, and promote transparency

By embedding performance measurement into governance, Supply Ontario will show it is delivering results responsibly, effectively, and in line with provincial priorities.

Looking Ahead

These strategic priorities support Supply Ontario's growth into a mature, resilient organization ready to manage the complexity of public sector procurement. With expanded capacity, modern systems, strong partnerships and governance, the agency continues to deliver results, build trust, and support the public procurement ecosystem: meeting today's needs while shaping Ontario's procurement future.

Priorities

The agency's priorities for this theme include:

- 3.1 Strengthen organizational capacity and operations:** Build a resilient foundation by enhancing internal structures, processes, and workforce capabilities to deliver the mandate effectively.
- 3.2 Champion excellence in Ontario's public procurement:** Lead and set standards that promote professionalism, innovation, and integrity across Ontario's public sector procurement ecosystem.

Supply Ontario Collaborates with the National Institute of Supply Chain Leaders

Supply Ontario and the National Institute of Supply Chain Leaders (NISCL) have entered an exclusive collaboration to integrate Ontario-specific procurement content into NISCL's established Public Procurement Certificate curriculum. The collaboration will ensure learning materials related to Ontario's legislation, policies, and best practices are available to public sector buyers across the province and demonstrate our commitment to be the leading authority in Ontario's procurement landscape.

Expected to launch in Spring 2027, the certificate program will deliver practical, application-based training to the broader Ontario public sector, focused on modern procurement practices, governance, and strategic sourcing. Built on a shared commitment to capacity building, transparency, and professional excellence, the collaboration will:

- Incorporate Ontario-specific policy and legislative context into a proven national curriculum;
- Enhance professional standards and consistency in procurement and contract management across public sector entities;
- Promote collaboration and knowledge sharing through harmonized training and joint evaluation metrics; and
- Position Supply Ontario as a provincial leader in advancing organizational capacity, modern and ethical procurement practices, and measurable value for Ontarians.

By embedding Ontario's priorities within an established, high-quality program, Supply Ontario is helping to build a skilled, future-ready procurement workforce and demonstrating leadership in professional development across the public sector.

- 3.3 Strengthen governance, accountability, and performance measurement:** Demonstrate progress, strengthen legislative and policy compliance, and embed robust performance measurement and reporting frameworks.

- 3.4 Strengthen strategic partnerships across the public sector procurement ecosystem:** Enhance collaboration with governmental and non-governmental stakeholders to align efforts, expand agreements, and drive shared innovation in procurement practices.

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|--|---|
| 3.1 Strengthen organizational capacity and operations | Build, procure, and iterate innovative technology applications and infrastructure that support Supply Ontario's mandate and priorities. Continue to modernize legacy technology applications and implement independent infrastructure and governance processes, while ensuring business continuity. Continued cybersecurity excellence integrated as part of normal business operations. | Complete transition to fully independent technology operations, establishing Supply Ontario as a self-sufficient digital organization capable of driving procurement transformation without external constraints. Monitor and adjust transition to independent systems and continue implementing additional independent systems/processes aligned with business and user needs. | Deploy best-in-class technology solutions that advance the agency's mandate. Continue to evolve Supply Ontario's independent technology footprint, adopting leading practices and processes. |
| | Define data governance bodies, policies, and processes to enable agency growth. Deploy data governance tooling integrated to operations processes. | Mature and evolve data governance bodies, policies, and processes to enable agency growth. Maintain and strengthen established governance processes and start enablement through automated enforcement of policies. | Automate and consistently enforce governance processes embedded across the agency. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|---|---|
| 3.1 Strengthen organizational capacity and operations | Use advanced tools for efficient management of records. | Improve and update records management tools and policies to reflect up-to-date regulatory requirements. | Strengthen records management practices by aligning tools and policies with evolving compliance standards and organizational needs. |
| | Implement changes to Occupational Health and Safety (OHS) and wellness program and seek feedback for continuous improvement. | Evaluate the progress of wellness strategy implementation, assessing and revising strategy as required. | Evaluate the implemented wellness strategy and plan for any action items and initiatives flowing from same. |
| | Implement core Human Capital Management (HCM) and Payroll systems to support agency growth and maturation. | Monitor implementation of HCM and Payroll systems and continuously improve to reflect agency needs. | Implement Talent Management System (Performance, succession planning), Payroll systems, and Centralized Learning Management System. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|--|---|
| 3.1 Strengthen organizational capacity and operations | <p>Assess culture-building programs and people strategy to ensure employee satisfaction and retention.</p> <p>Conduct regular employee surveys to gather feedback on organizational culture and act on priorities identified in the Employee Engagement Survey.</p> <p>Develop corporate and functional area action items (based on survey results).</p> <p>Implement year one of the Succession Management Program.</p> <p>Conduct learning needs assessments and develop learning offerings based on organizational needs.</p> | <p>Review and refine culture-building initiatives and people strategy, incorporating feedback to strengthen employee engagement and retention.</p> <p>Implement first full Employee Engagement Survey, applying results to strengthen workplace culture and address emerging needs.</p> <p>Implement and monitor corporate and functional action items arising from survey results, ensuring alignment with organizational priorities.</p> <p>Implement year two of the Succession Management Program.</p> <p>Refine and expand learning offerings by incorporating feedback and aligning with evolving organizational priorities.</p> | <p>Evaluate the effectiveness of culture-building programs and people strategy, applying improvements that reinforce a positive workplace culture and support long-term retention.</p> <p>Implement second full Employee Engagement Survey, sustaining a continuous feedback loop and translating insights into agency activities.</p> <p>Review and refine corporate and functional action items informed by survey findings, embedding continuous improvement into organizational practices.</p> <p>Implement year three of the Succession Management Program.</p> <p>Strengthen organizational learning framework by assessing employee development needs on an ongoing basis and ensuring ongoing responsiveness to identified needs.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|--|
| 3.1 Strengthen organizational capacity and operations | <p>Advance and promote Diversity, Equity, Inclusion, and Belonging (DEIB) initiatives throughout the agency.</p> <p>Assess the feasibility and potential structure of Employee Resource Groups (ERGs), engaging employees to identify focus areas and interest levels.</p> <p>Complete analysis of DEIB data.</p> | <p>Launch Respect in the Workplace training.</p> <p>Implement ERGs to support inclusion, engagement, and collaboration.</p> <p>Continue maturation of DEIB Council participation.</p> | <p>Carry out second iteration of Respect in the Workplace training.</p> <p>Strengthen ERGs by broadening participation and aligning activities with organizational priorities.</p> <p>Continue maturation of DEIB Council participation.</p> |
| | <p>Monitor and assess the operationality and impact of business operations on labour relations.</p> | <p>Monitor collective agreement and track any issues.</p> | <p>Monitor collective agreement and track any issues.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|--|--|
| 3.1 Strengthen organizational capacity and operations | <p>Evolve the agency's risk management framework to support the agency's strategic growth and compliance.</p> <p>Assess current processes and controls to identify overlaps, inconsistencies, and gaps in coverage.</p> | <p>Engage in continuous improvement of risk management framework to ensure it's adaptable to evolving market conditions and client needs.</p> <p>Develop and test agency-wide standardized risk and control protocols and reporting framework.</p> | <p>Strengthen organizational resiliency by prioritizing risk management through gap analyses, proactive simulations, and agency-level risk assessments that identify vulnerabilities and inform business transformation.</p> <p>Strengthen risk management by designing, implementing, and monitoring controls, and embedding them into operational workflows to ensure sustained resiliency and accountability.</p> |
| | <p>Action internal audits and expand internal auditor coverage to strengthen oversight, improve compliance, and provide greater assurance across agency operations.</p> | <p>Mature the internal audit function by enhancing methodologies, deepening coverage, and aligning practices with leading standards to improve risk detection and accountability.</p> | <p>Evolve the audit function from a compliance focus to a more strategic approach by implementing and testing an organizational framework that proactively identifies risks, strengthens operations, ensures controls are effective, and minimizes fraud.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|---|---|---|
| 3.2 Champion excellence in Ontario's public procurement | <p>Set provincial standards and performance benchmarks by building independent infrastructure and governance to ensure business continuity, while modernizing legacy technology applications.</p> | <p>Demonstrate leadership in public sector digital transformation by monitoring and refining the transition to independent systems, while advancing additional solutions that align with evolving business and user needs.</p> | <p>Solidify Supply Ontario's leadership in public sector innovation by advancing an independent technology footprint that adopts best-in-class practices and processes, providing a standard for other jurisdictions.</p> |
| | <p>Continue to build COPs to share and collaborate with other public sector buyers.</p> | <p>Strengthen COPs by tailoring them to sector-specific needs and fostering deeper collaboration among public sector buyers.</p> | <p>Evolve COPs into sustained platforms for knowledge exchange and joint problem-solving, positioning them as models for public sector collaboration.</p> |
| | <p>Continue outreach and adoption of MSP (Managed Service Provider) SBS (Standardized Backend Solution) to onboard additional adopters in all public sectors successfully to the new Software as a Service (SaaS) Platform.</p> | <p>Strengthen adoption of the MSP SBS across the public sector by deepening outreach and supporting integration.</p> <p>Establish next Business Development opportunity to grow Supply Ontario's footprint in BPS under the agency's mandate.</p> | <p>Promote the MSP SBS as a widely adopted platform across the public sector, ensuring sustained onboarding and alignment with sector needs.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|---|--|
| 3.2 Champion excellence in Ontario's public procurement | Improve and iterate accessible tools and templates to ensure client/user needs are met and reflect policy changes on an ongoing basis. | Refine and adapt tools and templates to stay responsive to client requirements and evolving policy direction. | Maintain and enhance accessible tools and templates as sector standards, ensuring alignment with client needs and regulatory updates. |
| | Identify and pursue priority initiatives and projects from the work undertaken by sector tables. | Continue to gather stakeholder feedback received through sector tables to help inform priority initiatives and centralization activities. | Assess effectiveness of sector tables, including regular reviews of Terms of Reference and identifying gaps and/or emerging areas of interest. |
| | Publish thought leadership pieces to position Supply Ontario as a trusted forward-thinking voice in the public procurement landscape. | Strengthen Supply Ontario's leadership in the public procurement landscape by publishing thought leadership that shapes sector dialogue and guides best practices across jurisdictions. | Establish Supply Ontario as a leading voice in public procurement by issuing thought leadership grounded in stakeholder feedback, client needs, and government policy direction. |
| | Host targeted events demonstrating how coordinated procurement drives efficiencies, reduces costs, and delivers value for Ontarians. | Lead strategic events with partners and stakeholders highlighting the benefits of coordinated procurement for economic development and strengthened domestic supply chains. | Convene sector-wide engagements with vendors and public sector buyers to showcase the outcomes of coordinated procurement, |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|--|--|--|---|
| 3.2 Champion excellence in Ontario's public procurement | Implement government direction on centralization of procurement resourcing and functions across the public sector. | Serve as a strategic partner to the government in determining and implementing direction on centralized procurement resourcing and functioning across the public sector. | Strengthen Supply Ontario's role as government's key partner in determining and implementing direction on centralized procurement resourcing and functioning in the province. |
| | Position Supply Ontario as the employer of choice for procurement professionals by sustaining organizational growth and strengthening the agency's capacity to attract top talent and meet employee needs. | Strengthen Supply Ontario's reputation as the leading workplace for public sector procurement professionals by fostering employee and agency growth. | Maintain and advance Supply Ontario's standing as the preferred employer for procurement talent, setting the benchmark for excellence in the public sector. |
| | Continue to remove barriers for people with disabilities by addressing gaps in digital interactions on an ongoing basis. | Advance digital accessibility by supporting inclusively designed digital products and services. | Continue to advance digital accessibility by supporting inclusively designed digital products and services. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|--|--|
| 3.3 Strengthen governance, accountability, and performance measurement | Review and improve targets for measuring customer service for vendors, buyers, and other clients. | Monitor the delivery against customer service excellence targets consistently. | Review outcomes against customer service excellence targets to ensure sustained improvement and alignment with client expectations. |
| | <p>Implement findings from the third-party review of Benefits Realization across the procurement lifecycle (estimation, confirmation, realization), and refine related documentation, governance, and reporting processes.</p> <p>Build on lessons learned to strengthen Key Performance Indicators and associated reporting used to measure the effectiveness and efficiency of the agency.</p> | <p>Continue to implement findings from the third-party review of Benefits Realization across the procurement lifecycle (estimation, confirmation, realization), and refine related documentation, governance, and reporting processes.</p> <p>Expand and refine Key Performance Indicators and associated measurement process, focusing on continuous improvement.</p> | <p>Proactively engage in continual refinement of the Benefits Realization framework and measurement, tracking and reporting approach to achieve ongoing and enhanced delivery model results.</p> <p>Expand and refine Key Performance Indicators and associated measurement process, focusing on continuous improvement.</p> |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|--|--|
| 3.3 Strengthen governance, accountability, and performance measurement | Develop and deliver quarterly reports to the Minister that highlight agency progress and performance in alignment with government priorities and compliance requirements. | Strengthen and standardize reporting processes to the Minister, ensuring clarity, consistency, and alignment with strategic direction and governmental requirements. | <p>Strengthen quarterly reporting as a strategic tool by finalizing reporting structure and providing comprehensive analysis of agency outcomes.</p> <p>Review and adjust reporting requirements to the Minister, aligning formats as needed to ensure continued, compliant, and effective progress reporting.</p> |
| 3.4 Strengthen strategic partnerships across the public sector procurement ecosystem | Develop and implement partnerships in high-value categories with non-governmental group purchasers. | Consistently evaluate opportunities for high-impact partnerships that advance the agency's mandate. | Expand and deepen existing partnerships through co-developed initiatives and long-term collaboration frameworks that drive systemic impact. |
| | Initiate strategic partnerships with key industry and community organizations to co-promote Supply Ontario's services through joint events, shared communications and targeted outreach campaigns. | Collaborate with partners to deliver targeted outreach sessions and integrate Supply Ontario's offerings into partner-led programming to increase visibility and uptake. | Establish formal partner-led outreach initiatives that include joint events, shared digital channels, and coordinated messaging to promote Supply Ontario's services to targeted audiences. |

| Activities | 2026-27 | 2027-28 | 2028-29 |
|---|--|---|---|
| 3.4 Strengthen strategic partnerships across the public sector procurement ecosystem | Create and advance strategic partnerships with provincial ministries, municipal associations, large procurement entities, private sector groups, non-profits, and international organizations/ jurisdictions to support collaboration on policy implementation, drive joint research, and pilot programs and innovation initiatives. | Sustain strategic partnerships with provincial ministries, municipal associations, large procurement entities, private sector groups, non-profits, and international organizations/ jurisdictions to foster collaboration on procurement policies, collaborative research, and shared innovation initiatives. | Evaluate effectiveness of partnerships with provincial ministries, municipal associations, large procurement entities, private sector groups, non-profits, and international organizations/ jurisdictions to prevent progress stall and status quo. |

Performance Measures and Targets

| Goals and Indicators | 2025-26 Target | 2026-27 Target | 2027-28 Target | 2028-29 Target |
|---|--|--|--|--|
| GOAL: Grow and Achieve Efficiencies by Centralizing the Province's Buying Power INDICATOR: Estimated total contract value (\$) under management (over the lifecycle of the contract) | \$17.8B | \$22.6B | \$29B | \$32B |
| GOAL: Transform and Modernize Public Sector Supply Chain and Procurement Landscape INDICATOR: Percentage of Strategic Inventory contracts awarded to Ontario businesses | 98% | 98% | 98% | 98% |
| GOAL: Advance Supply Ontario as the Leading Authority for Public Sector Procurement INDICATOR: Percentage of client satisfaction with the overall quality of services provided by Advisory Services INDICATOR: Percentage of vendors who bid on a procurement opportunity and were satisfied with Supply Ontario's procurement process, from document publication to bid submission INDICATOR: Percentage of warehouse service provider orders shipped within expected timelines | 85% 75% 99% | 85% 75% 99% | 85% 80% 99% | 85% 80% 99% |

Appendix A: Resources

A1: Financial Profile

Supply Ontario is fully funded by the Ontario government. The following projected budget plan will provide Supply Ontario with financial and staffing resources to meet its goals over the next three years.¹

| Operating Budget (\$M) | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| Revenues | Budget | Budget | Budget | Budget |
| Government operating funding | 346.4000 | 378.4963 | 390.8382 | 386.8859 |
| Total Revenue | 346.4000 | 378.4963 | 390.8382 | 386.8859 |
| Operational Expenses | | | | |
| I. Supply Ontario Core Operations | | | | |
| Salaries, Wages, Benefits | 41.7400 | 51.3119 | 55.8223 | 55.8223 |
| Other Operating Base Funding | 15.8495 | 45.0808 | 50.4123 | 46.4601 |
| Digital Experience | 5.9235 | 19.6232 | 21.6907 | 21.6275 |
| Collaboration Initiatives (GPOs/SSOs, Engagement) | - | 3.0000 | 3.0000 | 6.0000 |
| OTP & RAQS | 3.3000 | 3.3000 | 3.3000 | 3.3000 |
| Legal Support Services | 2.1450 | 1.0954 | 1.0954 | 1.0954 |
| Lease Expense & Leasehold Improvements | 1.9629 | 12.2397 | 15.5037 | 6.8637 |
| Miscellaneous Expenses | 2.5182 | 5.8225 | 5.8225 | 7.5735 |
| Supply Ontario Core Operations Total | 57.5895 | 96.3927 | 106.2346 | 102.2824 |
| II. Stockpile Initiatives | | | | |
| External Stockpile Initiatives | 18.9035 | 14.0970 | 14.0970 | 14.0970 |
| Warehousing, Logistics and Distribution | 59.9070 | 58.0066 | 60.5066 | 60.5066 |
| Stockpile Initiatives Total | 78.8105 | 72.1036 | 74.6036 | 74.6036 |
| Supply Ontario Operational Expense | 136.4000 | 168.4963 | 180.8382 | 176.8859 |
| Stockpile Purchases | | | | |
| PPE/CSE Purchases | 210.0000 | 210.0000 | 210.0000 | 210.0000 |
| Supply Ontario Stockpile Purchases | 210.0000 | 210.0000 | 210.0000 | 210.0000 |
| Supply Ontario Total Expense | 346.4000 | 378.4963 | 390.8382 | 386.8859 |

Numbers may not add up due to rounding.

¹The Government Operating Funding for FY 2026-27 until FY 2028-29 is pending government review and approval.

Supply Ontario abides by applicable government directives and policies and ensures transparency and accountability in reporting. The agency also adheres to public sector accounting standards and practices and responds to audit findings.

A2: Human Resources and Talent Management

Organizational Design and Strategy

Supply Ontario is continuing to prudently and efficiently refine its organizational design to ensure a structure and appropriate workforce size that will support its mandate and be agile to evolve with the agency's maturity. The workforce resourcing approach is disciplined and responsible in compliance with the September 26, 2025 government announcement on hiring controls.

On December 3, 2024, MOH announced the transfer of the OGPMS unit to Supply Ontario to allow the expertise and functions already established in OGPMS to be leveraged to deliver an integrated, efficient, and strategic supply chain for the province. Employees transferred on March 3, 2025.

As Supply Ontario continues to evolve, it is critical that we have an organizational structure in place to deliver on our mandate. Our aim is to implement a strategy that focuses on consistent customer service, increased sales, business development, and improved business analytics to streamline our processes and increase benefits realization.

Supply Ontario is committed to ensuring an optimal balance between managerial oversight and operational efficiency. Our organizational design principles support the agency's goal of

maintaining effective leadership, accountability, and communication across all levels. A well-defined span of control promotes clarity in roles and responsibilities, consistent decision-making, and appropriate levels of supervision. It ensures that people leaders are neither overextended nor underutilized, allowing them to focus on strategic direction, performance management, and employee development. They provide guidance on determining the appropriate number of direct reports for each leadership level, based on the complexity of functions, risk, and organizational design. We seek to ensure that the organizational structure supports efficient workflows, fosters collaboration, and enhances service delivery to both internal and external stakeholders.

Human Resources (HR) Strategic Priorities

In the coming year, Supply Ontario aims to continue to lay the foundational groundwork and develop HR initiatives to cultivate and bolster its people strategy. An emphasis will be placed on formulating and ensuring HR guidelines, methodologies, procedures, and initiatives align with the agency's strategic goals and principles. Supply Ontario is committed to the equitable treatment of individuals, ensuring fairness, diversity, inclusivity, and a sense of belonging are integral aspects integrated within its strategies, policies, initiatives and organizational values.

The 2026-27 priorities include:

- 1. Responsible Workforce Management:** Manage workforce complement with rigorous stewardship to stabilize expenditures and ensure long-term financial sustainability. This will be achieved by strictly applying

established hiring control parameters, including the suspension of recruitment for non-business-critical and non-public-facing positions, as well as limiting the use of consultants. The agency will operate within a defined maximum workforce headcount, maintain full compliance with the Broader Public Sector Executive Compensation Act (BPSECA) and continue to advance productivity and operational efficiency through the strategic use of technology.

- 2. Learning and development strategy:** Provide enhanced training for leaders on leadership competencies, and for employees to deepen expertise and enhance abilities that align with our values to meet new strategic priorities and organizational challenges.
- 3. Workplace wellness:** Implement year one deliverables and initiatives outlined in the workplace wellness initiatives strategy. Review accommodation, return-to-office (consistent with the OPS five day on site standard), and illness reporting processes and develop required training, processes, policies and documentation that align with best practices. Align HR and accommodations strategies with OPS directives and policy.
- 4. Occupational health and safety:** Analyze corporate health and safety compliance, including reporting processes, benchmark best practice health and safety initiatives, and develop required training, processes, policies and documentation.
- 5. DEIB:** Implement the FY 2026-27 action items of the DEIB strategy to cultivate a positive and productive work environment to attract and retain top talent, increase employee

engagement, offer better decision-making, and enhance performance. Continue Respect in the Workplace and Unconscious Bias training, and implement Employee Resource Groups.

- 6. Employee engagement and action strategy:** The employee engagement survey will be conducted in 2026-27, with action plans based on survey results developed and implemented in 2027-28.
- 7. Succession planning framework:** Implement year one of the succession management framework to strengthen the overall capability of the agency by identifying critical positions, selecting key competencies and skills necessary for business continuity, and focusing on the development of individuals to meet future business needs.
- 8. Human Capital Management (HCM) System:** Implement core HCM System functionality to automate HR processes, including, but not limited to, employee data management, benefits and pension administration, absence management, position management, time off and leaves of absence, employee self-service, and applicant tracking.
- 9. Talent acquisition strategy:** Optimize Supply Ontario's Careers web page and LinkedIn to attract top talent and refine talent acquisition processes in the absence of an applicant tracking system (ATS).

Compensation Strategy

Supply Ontario's compensation policy and guidelines are based on the following principles:

- fiscal responsibility, governance, compliance with all applicable legislation, and accountability
- alignment with organizational mandate, strategic directions, and values
- value of the total compensation package
- external competitiveness and internal equity, with positions of equal value being compensated within the same salary band
- balance between consistency and flexibility in compensation program design and application
- transparency and open communication, with due respect for privacy
- recognition and reward of employee performance through a fair and equitable compensation program
- alignment with compensation best practices and Supply Ontario's talent management strategy.

Supply Ontario's base salary structure competitiveness was assessed through researching external relevant public sector market comparisons and targeting a median of a defined talent market, representative of relevant broader public sector organizations.

Executive Compensation Framework

Since December 2020, Supply Ontario's Executive Compensation Framework has aligned with BPSECA, 2014. The executive pay structure outlines the minimum and maximum total cash compensation levels for positions deemed "designated executive" under the BPSECA.

Non-Executive Compensation Framework

The Board of Directors endorsed the non-executive compensation structure in February 2022.

Benefits

Supply Ontario provides a comprehensive suite of health and dental benefits, defined-benefit pension plans and group life insurance for employees. Additionally, employees are eligible to participate in a suite of optional benefits at their own expense. Supply Ontario also offers programs for short- and long-term disability as well as a comprehensive employee and family assistance program.

Summary of Workforce Data

Workforce planning activities continue to ensure Supply Ontario is hiring top talent and building organizational capacity. The chart below provides information by functional area on the number of current employees in place as of January 31, 2026.

Supply Ontario has 250 filled positions, and the total workforce is 319, which includes 69 contingent workers who support the Strategic Inventory and Enterprise Technology functions.

Employee Workforce Data by Functional Area as of January 31, 2026

| Functional Area | Total Headcount | Management | Non-Union | Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO) | Ontario Public Service Employees Union (OPSEU) |
|---|-----------------|------------|-----------|---|--|
| Office of the CEO | 4 | 3 | 1 | 0 | 0 |
| General Counsel and Corporate Secretary | 5 | 3 | 2 | 0 | 0 |
| Finance | 18 | 5 | 7 | 6 | 0 |
| Human Resources | 12 | 3 | 9 | 0 | 0 |
| Strategy, Programs & Partnerships | 34 | 13 | 7 | 12 | 2 |
| Operations | 147 | 20 | 6 | 81 | 40 |
| Digital and Data | 30 | 8 | 8 | 11 | 3 |
| Total | 250 | 55 | 40 | 110 | 45 |

Employee Workforce Data by Position as of January 31, 2026

| Functional Area | Total Headcount | Business Critical | Public Facing | Non-Business Critical/Non-Public Facing |
|---|-----------------|-------------------|---------------|---|
| Office of the CEO | 4 | 3 | 0 | 1 |
| General Counsel and Corporate Secretary | 5 | 5 | 0 | 0 |
| Finance | 18 | 16 | 0 | 2 |
| Human Resources | 12 | 11 | 0 | 1 |
| Strategy, Programs & Partnerships | 34 | 15 | 15 | 4 |
| Operations | 147 | 39 | 104 | 4 |
| Digital and Data | 30 | 28 | 0 | 2 |
| Total | 250 | 117 | 119 | 14 |

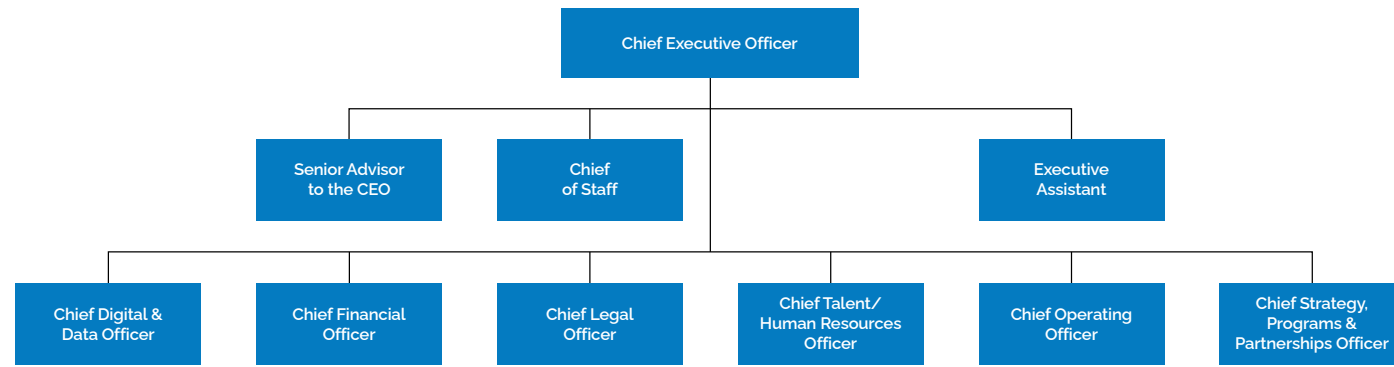
Use of Consultants (Contingent/Fee-for-Service Workers)

| Functional Area | Total Count |
|-----------------------------------|-------------|
| Office of the CEO | 0 |
| General Counsel | 0 |
| Finance | 0 |
| Human Resources | 0 |
| Strategy, Programs & Partnerships | 0 |
| Operations | 58 |
| Digital and Data | 11 |
| Total | 69 |

Organization Chart

Supply Ontario executive leadership team

January 31, 2026



A3: Realty

Supply Ontario is headquartered in downtown Toronto, with a sub-lease with the Ontario Hospital Association for the 28th, 27th and 23rd floors of 200 Front Street West. The sub-lease expires in November 2026.

In October 2024, Supply Ontario received a temporary exemption under the interim measures of the OPS Realty Directive that permitted the agency to identify new options in Toronto. The Agency has also received approval to proceed with a lease renewal for up to five years. Supply Ontario continues to work closely with Infrastructure Ontario (IO) and the Ministry of Infrastructure (MOI) to assess its realty needs and determine the most appropriate path forward.

A headquartered office in Toronto is critical for the success of Supply Ontario, as it allows for the recruitment and retention of highly skilled and

experienced staff. Additionally, Toronto provides easy access to critical stakeholders and industry leaders, which is pivotal as Supply Ontario continues to build its reputation and establish itself as the leading procurement authority for Ontario public sector procurement.

Supply Ontario maintains an operational presence across the Greater Toronto Area. The agency's OGPMS team is based at 99 Adesso Drive, Concord, a location that supports the agency's warehousing and stockpile operations. This facility plays a vital role in ensuring the continuity of medical and pharmaceutical supply services across the province and reflects Supply Ontario's commitment to operational excellence and modernization.

Centralization of Broader Real Estate Authority (CBREA):

The Centralization of Broader Real Estate Authority (CBREA) changes how real estate decisions are made in the Government of Ontario by shifting certain realty authorities from individual entities to the MOI. Supply Ontario will continue to work in close partnership with the MOI on any future realty requirements.

Community Jobs Initiative (CJI):

On April 1, 2022, MOI introduced CJI, a new strategy to save taxpayer dollars while bringing good jobs and economic development to more communities by ensuring provincial agencies are spread out across Ontario. Supply Ontario will continue to work in close partnership with MOI to support the implementation of CJI.

Supply Ontario has an operational footprint across the GTA and beyond. The OGPMS team is based at 99 Adesso Drive in Concord, supporting essential warehousing and stockpile operations outside the downtown core. The agency's long-term Warehousing Strategy also includes planned regional facilities in Thunder Bay, Innisfil, and locations east and west of the GTA, supporting employment across communities in Ontario.

Appendix B: Risk Identification, Assessment and Mitigation Strategies

Supply Ontario established an Enterprise Risk Management (ERM) program to allow for proactive and prudent risk management in support of its strategic objectives and operational priorities. The ERM program leverages risk management methodologies to identify, assess, mitigate and monitor risks through a systematic and integrated approach.

Supply Ontario's risk management function is overseen by its Audit and Finance Committee, a committee of its Board of Directors. Supply Ontario regularly reviews and updates risk mitigation plans to address evolving internal and external risk factors. Key risks are disclosed to the Treasury Board Secretariat (TBS) through MPBSDP on a quarterly basis in accordance with requirements set out in the Management Board of Cabinet's Agencies and Appointments Directive.

Supply Ontario continues to enhance its key enterprise risk management capabilities, capacity and business processes towards achieving a mature, risk-informed culture across the agency. Supply Ontario has established a Risk Oversight Committee (ROC) consisting of its senior leadership team. The ROC is responsible for managing risk through three lines of defence:

- *Own* – The Business and Program Operations teams are responsible for identifying, assessing, escalating, and managing and mitigating operational and emerging risks encountered in day-to-day activities.

- *Oversee* – The Risk and Compliance team provides independent oversight aligned with the OPS ERM Framework by setting risk policies, monitoring exposure, and reporting to senior leadership and governance committees.
- *Assure* – Internal assessments are conducted to validate the effectiveness of controls, risk policies and management frameworks, providing assurance to the Board of Directors, Audit and Finance Committee and ROC.

Key enterprise risks currently identified under the ERM framework are detailed in the following pages.

Operational/Program Delivery

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|---|-----------------|--------------|---------------------|--|
| <p>There is a risk that limitations in contract terms, data availability and quality, reporting maturity, and resourcing capacity may delay the agency's ability to measure and demonstrate realized benefits from its contracting and procurement initiatives, which could impact its ability to demonstrate value creation, resiliency, and economic development.</p> | Possibly (3) | Critical (5) | Medium-High (15) | Theme 3: Advance Supply Ontario as the Leading Authority for Public Sector Procurement |
| Mitigation Strategy | | | | |
| <p>Supply Ontario is mitigating this risk through the phased implementation of a standardized benefits realization approach embedded within its contracting lifecycle. The agency has developed a methodology to quantify estimated and realized benefits, informed by practices used in comparable jurisdictions and public sector entities, and its rigour was independently reviewed and affirmed in 2025. The methodology is applied at contract ideation and guides subsequent measurement of realized benefits.</p> <p>Implementation is progressing through a pilot with the Mobile VOR arrangement; benefits realization tracking has been introduced at contract execution and is being measured at defined milestones, including annual contract anniversaries.</p> <p>Building on lessons learned, Supply Ontario will develop a multi-year phasing plan to expand benefits realization tracking across additional VORs, aligned with contract renewal and refresh cycles. This approach supports consistent, defensible reporting of realized benefits while recognizing contractual, data, and resourcing constraints.</p> | | | | |

Operational/I&IT

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|---|-----------------|--------------|---------------------|--|
| The risk of cybersecurity incidents affecting Supply Ontario's systems and data due to insufficient cybersecurity controls, governance, and workforce capacity, causing operational disruption, data compromise, legal exposure, and reputational harm. | Possibly (3) | Critical (5) | Medium-High (15) | Theme 3: Advance Supply Ontario as the Leading Authority for Public Sector Procurement |
| Mitigation Strategy | | | | |
| <p>Supply Ontario mitigates cybersecurity risk through a layered approach that strengthens governance, controls, awareness, and incident response capabilities. The agency has established a cyber risk management framework aligned with recognized standards, implemented privacy impact assessment processes, and operationalized an IT governance committee to provide oversight of cyber and information security activities. Ongoing cybersecurity awareness and training initiatives support staff vigilance and promote secure behaviours across the organization.</p> <p>To enhance detection, preparedness, and response, Supply Ontario leverages strategic partnerships with the Ontario Public Service and external providers to access managed security services, threat intelligence, and incident response capabilities. These measures strengthen Supply Ontario's ability to identify emerging threats, respond effectively to cyber incidents, and protect critical systems and data.</p> <p>In FY 2026-27, Supply Ontario will continue advancing its cybersecurity posture through ongoing implementation of information security policies, strengthened identity and access management, enhanced third-party risk oversight, and enterprise security evaluations. Adequate resourcing and sustained funding remain critical to maintaining and evolving these controls as the organization's digital footprint grows.</p> | | | | |

Governance

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|--|-----------------|--------------|---------------------|--|
| Vacancies on the Board of Directors may limit access to the full range of skills, experience, and perspectives needed for effective governance, strategic oversight, and organizational accountability during the agency's evolution. | Likely (4) | Moderate (3) | Medium-High (12) | Theme 3: Advance Supply Ontario as the Leading Authority for Public Sector Procurement |
| Mitigation Strategy | | | | |
| <p>The Corporate Secretary will work with the Board to support the ongoing implementation of the Board-approved governance road map to ensure governance structures, roles, and accountabilities continue to operate effectively during the period in which the Board is operating below full complement.</p> <p>This includes:</p> <ul style="list-style-type: none"> • The Board Chair and CEO working with the Minister and ministry to prioritize Board appointments that address identified skill gaps and bring the Board closer to full complement; • The Board engaging external experts to supplement its expertise; and • Ensure there are robust committee structures and appropriate delegation of authority to maintain strong oversight and governance of the agency. | | | | |

Operational/I&IT/Human Resources

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|--|-----------------|--------------|---------------------|--|
| There is a risk that Supply Ontario's ability to deliver timely, accurate, and secure HR and financial management may be impacted by the absence of an integrated back-office IT solution, resulting in continued reliance on manual processes, fragmented systems, and third-party arrangements as the organization grows. | Unlikely (2) | Critical (5) | Medium (10) | Theme 3: Advance Supply Ontario as the Leading Authority for Public Sector Procurement |
| Mitigation Strategy | | | | |
| <p>Supply Ontario is mitigating this risk through a phased approach to modernizing its back-office HR and payroll capabilities while maintaining interim controls to manage operational risk. In the near term, manual processes, segregation of duties, audit checks, and controlled access to employee data continue to support accuracy, data security, and continuity of operations.</p> <p>In parallel, Supply Ontario is advancing the procurement of an integrated HCMS and payroll solution through the Back-Office IT Solutions VOR arrangement. During 2026-27, the focus will be on completing vendor selection and progressing implementation activities to reduce reliance on manual processes, improve data integrity and reporting timeliness, and strengthen workforce and financial management as the organization continues to scale. Adequate resourcing and reliable multi-year funding remain critical to the successful execution of this approach and to enabling future integration with other enterprise systems.</p> | | | | |

Operational

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|---|-----------------|--------------|---------------------|---|
| There is a risk that continued reliance on some manual processes may delay the timely completion of financial reporting. | Unlikely (2) | Critical (5) | Medium (10) | Theme 2: Transform and Modernize Public Sector Supply Chain and Procurement Landscape |
| Mitigation Strategy | | | | |
| <p>Supply Ontario has integrated all inventory into a single warehouse management system to eliminate manual processes and has integrated cost with inventory levels to enable consolidated reporting. Transition to remove all manual processes is underway.</p> <p>Building on these efforts, over the 2026–27 planning horizon, Supply Ontario will continue to strengthen engagement with hospitals and other public-sector entities to increase distribution for at-risk inventory.</p> <p>These actions and regular monitoring will further strengthen stewardship, transparency, and the resilience of the provincial PPE stockpile. They also align with key recommendations from the Auditor General of Ontario's 2025 performance audit, namely "Supply Ontario – Management of Personal Protective Equipment."</p> | | | | |

External Environment

| Risks | Risk Likelihood | Risk Impact | Overall Risk Rating | Impacted Business Plan Theme |
|---|-----------------|-----------------|---------------------|--|
| <p>There is a risk that climate-related events, infectious disease outbreaks, geopolitical developments, and trade or transportation disruptions may adversely affect the availability, cost, and continuity of supply for critical goods, limiting Supply Ontario's ability to ensure timely and reliable access to essential products for the broader public sector.</p> | Possibly (3) | Moderate (3) | Medium (9) | Theme 2: Transform and Modernize Public Sector Supply Chain and Procurement Landscape |
| Mitigation Strategy | | | | |
| <p>Managing environmental risks associated with supply chain operations is an important component of Supply Ontario's approach to operational resilience and service continuity.</p> <p>Supply Ontario mitigates this risk through ongoing monitoring, preparedness, and supply diversification activities. The agency operates the Supply Chain Shortages Program to identify emerging risks affecting critical hospital goods and to support timely mitigation measures in collaboration with Ontario Health. Tabletop exercises with Emergency Management Ontario and other partners are used to assess vulnerabilities and inform response strategies for high-risk scenarios.</p> <p>In parallel, Supply Ontario reduces exposure to environmental and geopolitical disruptions by supporting domestic production capacity for priority items, engaging key clients through the Health and Learning Tables to identify risks early, and using multi-vendor procurement strategies to strengthen supply continuity.</p> <p>These activities will continue through 2026-27, subject to available resources, to support a more resilient and responsive supply chain.</p> | | | | |

Appendix C: Information Technology (IT)/Digital

Over the past year, Supply Ontario has made significant progress in advancing its digital transformation agenda, in line with the Government of Ontario's commitment to modern, user-centred public service delivery. Supply Ontario is building the foundation for a modern procurement system that is resilient, intelligent, and responsive to the evolving needs of Ontario's public sector and vendor community.

Guiding this work are core principles for digital service delivery:

- **Reduce complexity** – making it easy for users to get the information they need, faster.
- **Provide a more seamless approach** – reducing the time it takes to complete processes or workflows.
- **Ensure accessibility and security by design** – building trust when partnering with Supply Ontario.

Underlying these principles is a focus on operational efficiency, risk management, and building resiliency. Supply Ontario is committed to ensuring its platforms remain trusted, secure, and responsive for users.

Strengthening Foundational Infrastructure

Supply Ontario's progress has been anchored in establishing foundational infrastructure, both internally for Supply Ontario, and for its public-facing services. This includes the implementation of a secure, trustworthy approach for single sign-on that enables a more seamless experience when moving between the agency's services.

Supply Ontario has prioritized the development of a secure, scalable digital infrastructure to underpin its mandate as the province's central procurement authority. Alongside the expansion of digital services, the agency has focused efforts on positioning Supply Ontario to become a more insight-driven, data-enabled agency. This has included strengthening the underlying data infrastructure required to support more consistent and strategic use of data across the organization.

Enhancing Buyer and Vendor Experience

A major focus of digital investment has been the development of user-facing tools that simplify engagement with government procurement. Supply Ontario is building digital services that work for both public sector buyers and suppliers looking to work with government.

A key area of focus has been augmenting Supply Ontario's VOR Program with intuitive digital tools that drive adoption and ease of use. Enhancements such as improved search and discovery functionality and a product comparison tool enable public sector buyers to more efficiently identify suitable vendors of record for their needs.

These capabilities reduce time-to-decision for buyers, improve confidence in vendor selection, and support consistent use of VOR arrangements across the public sector.

Digital Modernization

Supply Ontario continues to evolve its public website as a trusted hub for procurement-related information and services. The agency will continue to improve the vendor and buyer experience with interactive tools and easy-to-understand content. A phased redesign is underway to deliver a cohesive, accessible, and user-centred experience.

These modernization efforts are foundational to broader plans to modernize Ontario's digital procurement environment, including the evolution of the technology that underpins the Ontario Tenders Portal. The DPS will introduce best-in-class procurement practices, supported by performant, secure, and scalable technology.

Data Enablement, Digital Procurement, and Analytics Capacity

The agency is strengthening its capacity to use data more effectively in support of operational delivery, oversight, and strategic decision-making. In the 2025-26 fiscal year, Supply Ontario completed key milestones toward its transition to a modern advanced analytics platform, strengthened data governance protocols, and introduced initiatives to promote greater adoption of advanced analytics through data literacy and change management. The agency continued with the consolidation of external and market-based procurement data. Supply Ontario also enhanced its ability to harmonize procurement data across systems through improved master data management, establishing the governance and technical foundations needed for enterprise-scale data use.

In the years ahead, Supply Ontario will build on this foundation by maturing its enterprise data platform, expanding the integration of data from partners, and strengthening data standardization practices. This continuous focus will support more consistent, reliable, and scalable use of data across the organization. These efforts will enable more strategic use of data in support of Supply Ontario's mandate and foster greater alignment with partner organizations. It will also continue to evolve data governance and metadata capabilities, ensuring a strong foundation for future growth.

Advanced Analytics and Responsible Artificial Intelligence

Supply Ontario has begun exploratory work to establish the technical and governance foundation required to responsibly leverage artificial intelligence and machine learning in support of data-driven procurement decision-making.

In alignment with the Responsible Use of Artificial Intelligence Directive, the agency has introduced an internal governance framework to ensure AI deployments and use are ethical, transparent, and auditable. This includes the establishment of internal policies, controls, and a model risk management approach to guide the responsible use of AI. As part of this approach, Supply Ontario maintains an AI inventory, along with defined risk profiles, mitigation measures, and oversight mechanisms, with reporting cadence applied on a risk-proportionate basis and public disclosure determined by the application's impact to the public.

Cybersecurity and Risk Management

In today's complex landscape, robust cybersecurity practices are critical to protecting our systems, data, and clients. Supply Ontario is committed to advancing a multi-year cybersecurity road map that ensures our technology investments are secure, resilient, and scalable. By embedding cybersecurity into its processes and continuously monitoring evolving threats, Supply Ontario reinforces confidence in its ability to deliver secure, reliable, and transparent services to the province.

Appendix D: Initiatives Involving Third Parties

| Name/Type | Nature of Relationship | Governed By |
|--|---|-----------------------------------|
| Ministry of Public and Business Service Delivery and Procurement | Governance and Funding | Memorandum of Understanding (MOU) |
| Infrastructure Ontario | Realty Services | Agreement |
| Ministry of Infrastructure | Space User Agreement | Agreement |
| Ontario Pension Board | Pension Plan Administrator | Agreement |
| OPSEU Trust | Pension Plan Administrator | Agreement |
| Day Communications | Online Learning and Job Advertisement (LinkedIn Learning and Recruiter) Platform Provider | Contract |
| Eckler | Compensation Consultant | Contract |
| Sterling Backcheck | Employee Background and Reference Check Provider | Contract |
| Odgers Berndtson Canada | Executive Search Firm | Contract |
| Gartner | Research | Contract |
| Microsoft | Finance System | Contract |
| ADP Canada | Payroll | Contract |
| FlexTrack | Fee-for-Service Resources | Contract |
| Randstad | Fee-for-Service Resources | Contract |
| 4 Seasons of Reconciliation – Productions Cazabon | Indigenous e-Learning through vendor portal | Contract |
| National Institute of Supply Chain Leaders (NISCL) | Supply chain Learning Subscription | Contract |
| Canadian Centre for Diversity and Inclusion | DEI e-Learning through vendor portal | Contract |
| Stragisense | Psychometric Testing for Leaders and sessions | Contract |
| Occupational Safety Group Inc. | Online Training Provider | Contract |
| Clearview Strategic Partners Inc. | Anonymous Employee Reporting Service | Contract |
| GHX | Data to better understand transactional-level data from hospitals | Contract (proposed) |

Appendix E: Communications and Issues Management Plan

As Supply Ontario advances towards a more resilient, transparent and innovative public sector supply chain, its communications strategy will strengthen alignment across stakeholders, elevate the agency's brand, and deepen trust in its mandated function. The communications plan's unified approach ensures consistency and clarity across all digital platforms, outreach efforts, and stakeholder management. Supply Ontario will continue to partner with public sector partners in accordance with the Public Communications Protocol of its Memorandum of Understanding with the Minister, enabling transparency and amplifying impact across Ontario's public sector procurement landscape.

Objectives

- **Continue to Refine Supply Ontario's Brand and Public Profile:** Position Supply Ontario as a transparent, mandate-driven leader in public procurement using storytelling, cross-sector collaboration, and streamlined communications to build trust, amplify impact, and showcase innovation.
- **Deliver on Supply Ontario's Mandate:** Enable Supply Ontario to achieve key priorities with support and buy-in from key stakeholders and partners.
- **Strengthen Vendor, Stakeholder and Partner Relationships:** Deepen understanding of vendor needs and enhance partnerships through targeted engagement by hosting events, promoting vendor and buyer training, and creating spaces to align public

procurement with industry innovation.

- **Inspire Employees:** Foster an engaged workplace through transparent communication, celebration of successes and continuous engagement on the agency's key priorities and goals.
- **Strengthen the 'One-window' Communication Approach:** Implement a 'one-window' approach that unifies fragmented digital tools and communication channels across Supply Ontario and Ontario's public procurement landscape, enhancing responsiveness, user satisfaction, and knowledge sharing.

Key Stakeholders and Partners/Audience

Supply Ontario will continue to work with key stakeholders and partners to strengthen Ontario's supply chains. Key stakeholders and partners include:

- MPBSDP, as Supply Ontario's oversight ministry;
- OPS, BPS and health, education and community services sector buyers and program managers;
- Ministry for Seniors and Accessibility
- Vendors, suppliers and distributors including Indigenous businesses and equity-deserving groups, including the disability community;
- SSOs and GPOs;
- Industry, business and professional associations; and
- Supply Ontario employees.

Strategic Approach

- Continue to build Supply Ontario's narrative by promoting its role as a mandate-driven leader in public sector procurement, emphasizing resiliency, innovation and transparency.
- Leverage internal and external communications channels, such as LinkedIn, stakeholder communications, conferences and events, the website and the intranet, to create a unified and engaging experience for all audiences.
- Work collaboratively and transparently with external stakeholders and partners, including MPBSDP, the wider public sector entities, health, education, sustainability and digital stakeholders, and the Government of Ontario, including the Ministry for Seniors and Accessibility, to leverage their reach, amplify their content, share learnings, and identify new sector opportunities.
- Work with MPBSDP to explore further communications opportunities, supporting a collaborative approach to information sharing.
- Maintain Ministry engagement protocols in alignment with the Memorandum of Understanding and the Agencies and Appointments Directive (October 2024), including consulting with the Ministry on contentious or high-profile matters and collaborating on the development and coordination of public communications.

Tactics

Supply Ontario's communications will focus on key activities in a few different areas, including:

- Continue to engage vendors and stakeholders, with focus on sharing intelligence, incorporating valuable stakeholder perspectives and encouraging vendor participation in public sector supply chain initiatives, achieved through active participation in industry events, exploring a plan for a one-window approach and hosting events and conferences;
- An external communications strategy focused on continuing to reinforce Supply Ontario's brand and public profile through social media campaigns, speaking engagements, news releases and events;
- LinkedIn will be utilized to provide valuable content and announcements, share success stories, and leverage opportunities to cross-promote content with government and stakeholders, including 'Did You Know' series, FAQs, short-form educational videos and VOR Program announcements;
- A multi-phased website strategy will focus on migrating updated, relevant content to supplyontario.ca while supporting the consolidation of the fragmented digital ecosystem into a cohesive, accessible and trusted resource for buyers, vendors, and stakeholders; and
- Internal newsletters, town halls, engagement initiatives and learning sessions will connect employees to the agency's priorities and objectives, celebrate successes, and foster transparent communication to keep employees informed, heard and connected.

Measurement

To measure the effective delivery of tactics and communications campaigns, Supply Ontario will track a variety of metrics, where appropriate, including:

- Website traffic
- LinkedIn analytics (i.e., impressions, follower growth rate, click-through rate, reactions, comments and shares)
- Adoption and/or participation rate of product, initiative or call to action
- Inbound inquiries/messages from employees and/or external stakeholders, considering the tone, nature of issue/topic, questions, compliments, etc.
- Media coverage
- Video views
- Survey results
- Training registration/attendance rates



Appendix F: Environmental Scan

Since its establishment in 2020, Supply Ontario has operated within a global procurement landscape marked by persistent volatility, complexity, and transformation. Created to centralize the government's procurement activities, Supply Ontario was initially tasked with managing the urgent procurement of PPE and critical supplies during the COVID-19 pandemic. Since then, the agency has continued to address the systemic vulnerabilities revealed by the crisis, such as geopolitical instability, fragmented supply chains, and market disruptions. These challenges, which were exposed during the pandemic, have not only persisted but, in many cases, have intensified, shaping the current procurement environment.

Over the past year in particular, the external conditions influencing public procurement have grown more acute. Ongoing geopolitical tensions in Eastern Europe and East Asia, coupled with inflationary pressures of trade

protectionism measures, supply market consolidation, and climate-related disruptions, continue to challenge and disrupt the resiliency of both domestic and global supply chains. These dynamics demand ongoing vigilance and adaptability from public procurement entities, including Supply Ontario, as they operate within an environment shaped by resource and supplier constraints, rising stakeholder expectations, and evolving performance requirements.

Simultaneously, the landscape of Ontario's public sector procurement has undergone meaningful shifts. Evolving interpretations of 'value', which now encompass enhanced considerations, such as social equity, sustainability, cybersecurity, and vendor performance, have increasingly begun to reshape how procurement decisions are framed and evaluated. Group purchasing dynamics are shifting, with greater emphasis on strategic sourcing, vendor diversification, and

inclusive access for underrepresented groups, such as small and medium-sized enterprises (SMEs), innovative technology entrepreneurs, and Indigenous-owned businesses. The adoption of digital procurement platforms, data analytics, and responsible AI-enabled tools are also accelerating, embedding technology more deeply into the design and execution of procurement processes and strategies.

This environmental scan outlines key external and internal forces shaping the agency's mandate and execution capacity over the planning horizon, drawing from current trends, recent developments, and forward-looking assessments of Ontario's public procurement landscape.

Public Sector Policy Direction and Centralization Trends

The Ontario government continues to advance an ambitious agenda to modernize and centralize procurement across public sector entities, reflecting ongoing fiscal pressures, operational inefficiencies in legacy procurement systems, and a desire to improve oversight and coordination across ministries and agencies. The 2025 Ontario Budget reiterated the government's intention to consolidate procurement authorities and reduce fragmentation in the public procurement system as a cost-containment and governance strategy. Centralization is no longer viewed solely as an administrative objective, but as a means to strengthen strategic spending, support domestic supply chains, and improve risk management across government portfolios. However, centralization may also introduce governance and change

management complexities, particularly in sectors historically accustomed to independent procurement authorities.

In this context, Supply Ontario is increasingly positioned not merely as a transactional service provider but rather as a systems-level orchestrator of procurement transformation. In this role, the agency will balance its enterprise-level efficiency with sector-specific flexibility across health, education, infrastructure, and social services to achieve the best possible value for Ontarians.

Trade Agreements, Intergovernmental Dynamics, and Compliance Imperatives

Supply Ontario's external environment is significantly shaped by its obligations under domestic and international trade agreements. Trade agreements, such as the Canadian Free Trade Agreement (CFTA), the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), and the World Trade Organization's Agreement on Government Procurement (GPA) generally require procuring entities to conduct open and competitive procurements to vendors across jurisdictions that do not favour domestic firms or preclude non-Ontario suppliers from competing on the same terms and conditions. These agreements have created both opportunities and constraints. While they support broader vendor participation and help ensure competitive pricing, they limit the extent to which the agency can explicitly prefer domestic or Ontario-based suppliers.

Recent developments indicate growing interest among provinces to revisit elements of certain

procurement policies due to significantly increased supply chain vulnerabilities and resiliency as exposed by the COVID-19 pandemic and trade protectionism measures, such as the United States (U.S.) tariffs on Canadian goods. Discussions at the Council of the Federation have signaled an appetite for coordinated procurement of critical, subject to global risks, goods and technologies, particularly in areas like health, clean tech, and infrastructure. This intergovernmental evolution creates space for Supply Ontario to shape joint procurement platforms and influence harmonized policy development.

Compliance management is also becoming more complex, particularly as the federal government strengthens enforcement mechanisms under the CFTA and removes all federal exceptions. Ontario is also the first province in Canada to remove all its party-specific exceptions (PSEs) without exception to support free trade. Any breach or perceived favouritism, whether in vendor prequalification, evaluation, or contract award, could expose the province to trade challenges or reputational risk. As Supply Ontario's role continues to expand, strong system-wide controls, clear governance, and consistent procurement practices across the public sector will become increasingly important to mitigate these risks.

Market Conditions and Shifts in the Vendor Ecosystem

The structure and behaviour of supply markets are changing rapidly, with direct implications for public procurement strategy. Vendor consolidation is underway in several key sectors, including medical supplies, information

technology, construction, and security services. This consolidation is eroding the competition necessary to sustain stability in some categories and increasing the market power of a limited number of large suppliers. The result is increased prices, lower quality of goods and services, higher risk concentration and reduced leverage for public buyers.

In contrast, SMEs, particularly those owned by women, minority populations, and Indigenous and regional communities, continue to face systemic barriers to participation in public tenders and contracting. Despite ongoing policy interest in inclusive and sustainable procurement, challenges related to bid complexity, financial qualifications, and lack of awareness continue to persist. These barriers reduce supplier diversity and limit opportunities for regional growth and economic development. The Ontario government's 2025 Inclusive Growth Strategy emphasizes public procurement as a lever for economic inclusion, tasking agencies like Supply Ontario with supporting outreach, capacity-building, and more accessible contract structures.

Moreover, there is a notable shift in vendor expectations. Suppliers increasingly view the government not just as a customer but as a partner in long-term value creation. This is especially true in IT and digital categories, where vendors expect flexible, outcome-based contracting models and faster procurement cycles.

Digital Modernization, Data Governance, and Cybersecurity

Technology is now a central enabler of procurement transformation. This emerging landscape demands more than technical

upgrades. It requires rethinking of an entire procurement architecture. AI and machine learning are increasingly used in vendor risk profiling, bid evaluation, and demand forecasting. However, concerns about transparency, fairness, and accountability are also mounting. In June 2025, Ontario's Office of the Chief Information Officer issued new guidelines on the ethical use of AI in public sector decision-making. These frameworks apply directly to procurement and necessitate proactive governance from Supply Ontario in partnership with IT, legal, and policy stakeholders.

Cybersecurity also remains a critical concern. The rising incidence of cyberattacks targeting government supply chains has triggered a wave of regulatory attention. Under the Strengthening Cybersecurity and Building Trust in the Public Sector Act, 2024 (Bill 194), public sector entities are now subject to enhanced requirements for digital data integrity, breach notification, and vendor security assessments.

Public Accountability, Transparency, and Citizen Expectations

Public scrutiny of government procurement continues to intensify, especially due to pandemic-era contracts, sole-source controversies, and rising demand for transparency in the use of public funds. Stakeholders, ranging from elected officials to civil society organizations, are demanding clearer justifications for procurement decisions, greater visibility into vendor performance, and proactive disclosure of contract outcomes. Recent external reviews continue to inform Supply Ontario's continuous improvement agenda.

In the December 2024 report *Procurement and Delivery of Selected Infrastructure Projects*, the Auditor General highlights the necessity for detailed record-keeping and traceability in public sector procurement. It specifically recommends that the government build robust documentation and controls into procurement contracts and delivery frameworks to support audit, oversight, and value-for-money assessment. There is also pressure to enhance public engagement mechanisms, particularly for procurements with Environmental, Social and Governance (ESG) significance. Together, these findings point to an evolving accountability environment that demands greater procedural discipline and transparency across the sector.

Building on this broader context, the Auditor General's December 2025 report included a performance audit of Supply Ontario's management of personal protective equipment (PPE), examining inventory management, warehousing practices, client engagement, and stockpile sustainability. Supply Ontario **acknowledges** the Auditor's recommendations, which reinforce the importance of strong governance and modern supply chain practices in safeguarding public resources. The agency has made, and will continue to make, significant progress in addressing the issues raised, including **the implementation of a long-term warehousing strategy**. This strategy represents a major milestone and is expected to strengthen inventory oversight, operational efficiency, and system resilience. The audit process's findings have helped provide important context for the agency's ongoing modernization efforts and underscore Supply Ontario's commitment to transparency, accountability, and continuous improvement.

Sustainability, ESG, and Climate Procurement Pressures

Climate change and sustainability are now top-tier considerations in public sector procurement. The *Made-in-Ontario Environment Plan (2018)* remains the primary environmental strategy, covering air, land, water, waste, and designing mechanisms to respond to climate change. Green procurement policies, however, are already active in jurisdictions, such as British Columbia and the federal government, and may become more prescriptive in Ontario over the next three years.

Suppliers are increasingly asked to disclose their emissions footprint, labour practices, and environmental certifications. Public buyers must navigate trade-offs between affordability and sustainability, especially in categories such as construction materials, fleet vehicles, and medical equipment.

Economic and Fiscal Conditions

Ontario's macroeconomic context will continue to affect procurement activities. Ontario's real GDP growth is projected to stay modest in the coming years, rising from 0.8% in 2025 to 0.9% in 2026 and then strengthening in later years, reflecting a moderate growth outlook². Ongoing external risks such as trade and inflationary pressures could create added uncertainty for economic performance and government spending. While inflation has stabilized since its 2022-23 peak, input costs in key procurement categories, particularly IT, construction, and healthcare, remain elevated. These pressures may result in tighter budgets, greater emphasis on cost efficiency, and more competitive sourcing environments.

The province's fiscal policy remains focused on deficit control and expenditure restraint. The Ministry of Finance's latest projections suggest constrained growth in program spending, particularly for administrative and back-office functions. As a result, public sector entities will be expected to deliver enhanced value for money, improve cost avoidance, and unlock systemic savings through consolidated procurement and demand management strategies.

Labour market trends show a slowing job market (i.e. employment growth is forecast to slow to 0.4% in 2026 before modestly rebounding³) and increasing population growth (Ontario continues to attract immigrants, boosting demand for public services). A slower job market might slightly ease labour cost pressures in contracts, but it could also increase demands on social services that require procurement (like social and financially inclusive housing options, medical supplies for expanding healthcare needs, etc.). Additionally, these labour market dynamics meet a growing demand for skilled professionals across the public sector. With over 80% of Supply Ontario's workforce occupying roles that require certifications, credentials, or subject-matter expertise developed over several years, talent acquisition and retention remain critical priorities. As labour market competition intensifies, particularly in high-demand areas such as procurement, IT, and digital transformation, Supply Ontario will continue to refine its HR strategy to position itself as an employer of choice with a highly talented and educated workforce.

Furthermore, external economic risks abound. A recession in the U.S. would hit Ontario exports and government revenues and fluctuations

in oil prices or the Canadian dollar can affect procurement costs for imported goods. These macro factors would surely influence scenario planning exercises across the landscape. Supply Ontario would consider these macro factors in scenario planning. For instance, if a downturn occurs, public sector entities might delay or scale down some capital projects (affecting procurement volume), or conversely accelerate infrastructure works to stimulate jobs (increasing procurement). Fiscal policy could therefore

swing towards austerity or stimulus accordingly.

Supply Ontario continues to operate within a dynamic and complex procurement ecosystem that is evolving in response to shifting political priorities, economic realities, market transformations, and societal expectations. As the central procurement agency for Ontario's public sector, its strategic posture for 2026-27 to 2028-29 fiscal years is informed by a nuanced understanding of this external environment.

Appendix G: Artificial Intelligence Use Cases

Supply Ontario has begun exploratory work on AI and machine learning applications that could enhance procurement decision-making and modernization efforts. This has included internal research into potential use cases such as predictive demand modelling, improving search and discovery of opportunities, and other use cases that advance the improvement of data consistency and usability. These exploratory activities are intended to inform where AI can add value while maintaining the reliability, transparency, and accountability expected in public sector supply chains.

The identification and assessment of potential AI use cases are guided by the agency's internal AI governance framework and model risk management practices. This approach ensures alignment with the Responsible Use of AI Directive and embeds considerations related to public impact, fairness, transparency, and accountability early in the lifecycle of each proposed application.

As required under Section 6.3 of the Responsible Use of Artificial Intelligence Directive, Supply Ontario will publish and report on its use of AI, including identified risks, mitigation measures and oversight mechanisms. We will also continue to collaborate with the Ontario Public Service in supporting responsible AI adoption and compliance through service delivery.