

Introducing Bill S-211: A Milestone in Supply Chain Transparency

Bill S-211, enacted on January 1, 2023, marks a significant leap forward in the pursuit of supply chain transparency and ethical business practices in Canada. This legislation mandates stringent reporting requirements on forced labor and child labor within supply chains, underscoring the nation's commitment to combat modern-day slavery.



Navigating the Landscape of Bill S-211:



Reporting Obligations

Organizations are mandated to submit annual reports detailing efforts to prevent and reduce the risk of forced labor and child labor.



Streamlined Reporting

Companies with multiple legal entities can opt for joint reporting, easing administrative burdens, provided they share aligned risk profiles and mitigation strategies.



Enforcement Measures

The legislation introduces personal liability for directors and officers involved in offenses related to non-compliance, emphasizing accountability at the highest levels.

Impact on Stakeholders: Empowering Clients and Suppliers

Client Implications

The legislation affects Canadian-listed companies, government institutions, and entities with significant operations in Canada, compelling them to maintain ethical standards and transparency.

Businesses with a presence, operations, or assets in Canada must satisfy at least two of the following criteria:

- Possess Canadian **\$20 million in assets**
- Generate Canadian **\$40 million in revenue**
- Employ at least **250 workers**.

Supplier Engagement

Suppliers meeting specified criteria or identified as high-risk by clients must adhere to reporting requirements, fostering a culture of accountability and transparency across the supply chain.

- Same thresholds apply unless they are identified as a **MATERIALLY RELEVANT** supplier by one of their clients.
- Suppliers, regardless of size or location, must report if identified by a Canadian client as high risk to their supply chain.
- Clients are granted wide leeway to determine their risk methodology for identifying high-risk forced labor suppliers. Ideally, clients will establish this methodology internally, with support available from Avetta through paid professional services if needed.

Empowering Compliance

Avetta's Role in the Journey

Avetta stands at the forefront of empowering organizations to navigate the complexities of Bill S-211 with confidence:



Cutting-edge Solutions

Avetta's innovative Modern Day Slavery assessment form offers advanced capabilities tailored to targeted supplier due diligence, including expanded question sets and document review mapped to global best practices in forced labor and child labor risk management, seamlessly aligning with regulatory requirements.



Methodology Development

Avetta assists in crafting robust methodologies to identify high-risk suppliers, enabling proactive risk mitigation.



ESG Expertise

Our Environmental, Social, and Governance (ESG) team leverages expertise to assess supplier lists and categorize risks effectively, ensuring comprehensive compliance.