

#### **How to Comply with Canada's Forced Labor Law**

**Compliance and Ethics** 

**Employment and Labor** 



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Global efforts to curtail forced and child labor have grown over the past decade. Ethical sourcing is no longer about meeting regulatory requirements — <u>it's a business imperative</u>.



Jewelle Johnson, VP & Assistant GC, Graphic

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Recent <u>news reports</u> have again shone a light on the risks, both monetary and reputational, that require increased due diligence by in-house counsel. And new laws aimed at combatting the issue have passed around the world.

Similar to UK and Australia anti-forced labor regulations, Canada's <u>new labor law</u> — which went into effect in January 2024 — requires companies to share reports annually on measures taken to prevent forced and child labor in their operations and supply chains. The next report is due May 31.

Jewelle Johnson, Vice President and Assistant General Counsel - Labor & Employment at Graphic Packaging International, LLC, shared her answers below on how to comply with the <u>Fighting Against Forced Labour and Child Labour in Supply Chains Act</u>.

#### How and when did you start planning to meet this requirement?

The Act went into effect in January 2024, requiring the first report to be filed by May 31, 2024. We prepared the report in 2024 along with other similar reports required in other countries such as the UK and Australia.

#### What stakeholders were involved?

Our report is reviewed and approved by our General Counsel, Chief Compliance Officer, and Chief Sustainability Officer.

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### How does this compliance requirement overlap with other reporting requirements?

The reporting requirement is very similar to what is required under the UK and Australian Modern Slavery Acts. It is also very similar to what most companies provide in their ESG reports regarding Human Rights and Supply Chain tracking and compliance.

# What's one piece of advice you'd give to an in-house counsel responsible for filing these reports?

Begin collecting data from relevant stakeholders in the organization early, especially any metrics regarding grievances, non-compliant suppliers, training statistics, etc. Be sure to gather information and report out on any remedial measures that have been taken in response to non-compliance. In Canada, unlike the other countries with similar requirements, there is also an accompanying questionnaire that needs to be completed.

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## Looking ahead, what trends or evolutions do you anticipate in this space?

I anticipate that the compliance requirements in this area will continue to increase. Canada created the Canada I anticipate that the compliance requirements in this area will continue to increase across the globe. Canada created the Canada Ombudsperson for Responsible Enterprise ("CORE") office in 2019 to investigate alleged human rights and ethics violations. The country then banned the import of goods mined or produced with forced labor in 2021, and implemented these new reporting requirements in 2024. Canada will likely increase investigations into complaints about forced labor and eventually require companies to implement monitoring and remediation processes, to ensure that no such forced labor is within their supply chains. We have seen similar developments in Germany and other EU countries will certainly follow.

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