GUIDE



BE COMPLIANT, NOT COMPLACENT

Getting Ahead of Contractor Compliance Regulations 2023





NOW FOR HIRING CLIENTS

NAVIGATING CHOPPY WATERS

HAS BECOME A PERMANENT 'NEW NORMAL'

DO YOU HAVE CONTROL OF YOUR

CONTRACTORS AND SUB-CONTRACTORS?



Do you have visibility of the safety and sustainability credentials through the tiers of your contractor network?



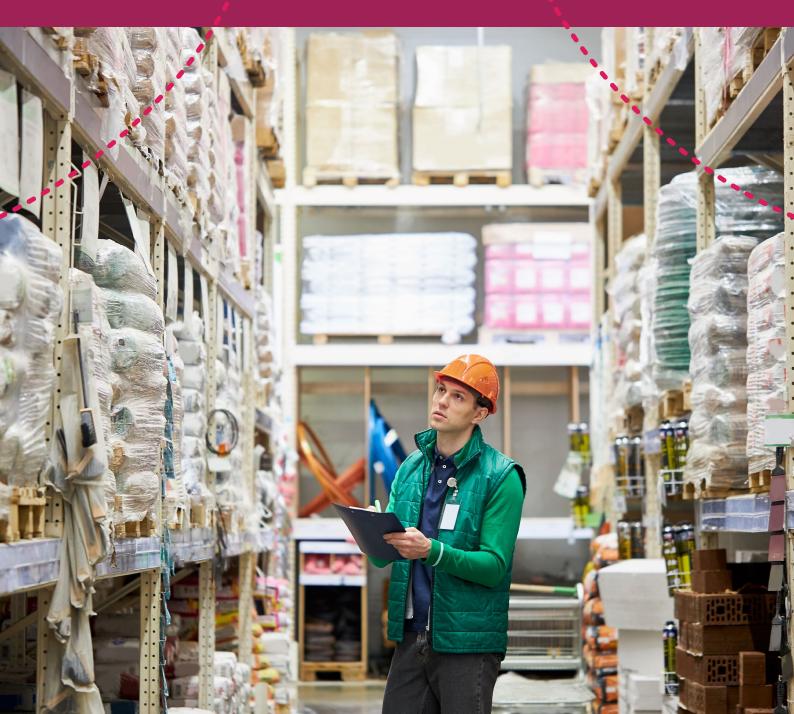
Can you meet regulatory requirements to prove your contractors operate safely and sustainably?



Do you have one consolidated view of your contractor risk profile and data?

THE REGULATIONS YOU NEED TO KNOW ABOUT





CURRENT CONTRACTOR REGULATIONS

- Occupational Health and Safety Act
- Workplace Safety Insurance Board (WSIB)
- Employee insurance coverage (Bill 119)
- Canadian Human Rights Act
- Immigration and Refugee Protection Act (IRPA)
- Canadian Environmental Protection Act

THE KEY UPCOMING REGULATIONS:

- Canadian Draft Business and Human Rights (BHR) Legislation
- Canadian Draft Corporate
 Responsibility to Protect Human
 Rights Act
- EU Supply Chain Law
- German Supply Chain Due Diligence Act

IT'S TIME TO TAKE ACTION



There is increased regulatory accountability, with existing and new regulations coming into play.



Businesses cannot credibly claim that they are trackling health and safety, environmental, forced labour, financial and insurance management unless they are also engaging their contractors.



Pleading ignorance or turning a 'blind eye' to what is happening at contractor and sub-contractor level is no longer acceptable.





The Bill S-211 is an Act to approve the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the Bill). The Bill will apply to any Canadian-linked "entity" that produces, sells, or distributes goods anywhere in the world, imports goods into Canada, or controls an entity involved in any of these activities.

THAT COULD AFFECT CONTRACTOR
PRE-QUALIFICATION



CANADIAN DRAFT CORPORATE RESPONSIBILITY TO PROTECT HUMAN RIGHTS ACT

The Bill C-262 first reading in March 2022 is an Act to prevent, address and remedy adverse impacts on human rights occurring in relation to business activities conducted outside Canada.

THE KEY REGULATORY CHANGES TAKING PLACE
THAT COULD AFFECT
CONTRACTOR
PRE-QUALIFICATION



EU SUPPLY CHAIN LAW

The draft act requires EU companies for the first time to audit suppliers along the entire global supply chain, including all direct and indirect business relationships with the aim to ensure compliance with applicable human rights standards and environmental protection as well as responsible corporate governance.

THE KEY REGULATORY CHANGES TAKING PLACE
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PRE-QUALIFICATION

GERMAN SUPPLY CHAIN DUE DILIGENCE ACT

Effective from January 2023, this act imposes extensive new obligations on companies based in Germany to identify, prevent and address human rights and environmental abuses within their own and their direct suppliers' operations. If a business supplies companies that will have to comply with this new law, they may start to receive more requests for information from these companies.



STRICTER REGULATIONS MEAN

ORGANIZATIONS TAKE FULL RESPONSIBILITY FOR THE COMPLIANCE OF THEIR CONTRACTORS

OTHERWISE YOU CAN FACE:















FUNDAMENTAL STEPS TO MANAGING CHANGE:



Adopt a regulatory change management process



Review how the change(s) apply to your business, assess compliance risks and identify gaps in your data visibility



Map out the business areas where regulatory changes will need to be applied



Develop scenario planning exercises and risk assessments



Assess operational and financial risks (based on above)



Engage with impacted stakeholders, i.e. contractors and suppliers



Develop a regulatory change plan



Review and amend processes, policies, and procedures



Work with employees so they understand that changes in compliance processes and provide training as needed

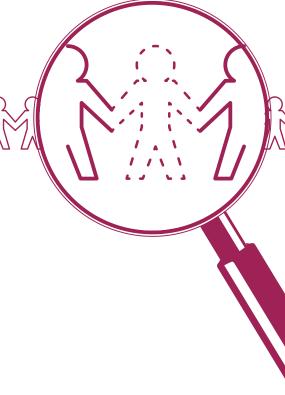
GAINING GREATER VISIBILITY INTO CONTRACTORS





51% OF SUPPLY CHAIN DISRUPTIONS OCCUR IN TIER-2 CONTRACTORS AND BELOW, BUT ONLY 2% OF COMPANIES HAVE VISIBILITY INTO THEIR SUPPLY BASE BEYOND THE SECOND TIER

PRE-QUALIFICATION SHOULD NO LONGER BE RESTRICTED TO TIER ONE



YOU NEED CONFIDENCE THAT YOU HAVE:

- Clear visibility of your contractors across all tiers of the contractor network
- Evidence that they comply with regulatory and legal requirements
- Robust and stringent health and safety pre-qualification processes in place
- Confidence that you have visibility of the ethical and financial risk they bring to your business

ACROSS

14 CRITICAL AREAS

OF PRE-QUALIFICATION AND VERIFICATION



Health and Safety



Financial Stability



Incident Management



Quality Management



Anti-Bribery



Workplace Training



Environmental Management



Data Protection (GDPR)



Insurances



Risk Assessments



Right To Work



References



Permit to Work



Sector/Trade Specific Requirements

TECHNOLOGY AND DATA

Investment in technology and data insight will help businesses to gain one true, consolidated view of risk and enable more informed and strategic decision making.



ADOPTING INTELLIGENT ANALYSIS, HELPING YOU TO...

- Comply with relevant regulations
- Make informed decisions
- Demonstrate due diligence
- Prevent direct and indirect costs of quality failures
- Demonstrate corporate credibility
- Financial stability

- Manage reputational risk
- Audit continuous improvement
- Reduce administrative time
- Reduce risks around safety, sustainability, insurance and training.

BUSINESSES CANNOT BE COMPLACENT

THEY MUST BE COMPLIANT

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This is not about consequence management, but about doing the right thing, creating change for the better.

A more strategic approach to contractor pre-qualification and the importance of connecting clients and contractors is the only way to ensure that everyone in the supply chain are working towards the highest standards of safety and ethics with one true view of data.

DENIS SANCHEZ,VP of Operational Excellence at Alcumus Canada



THE EASIEST WAY TO PROVE ALL THAT?



WE HAVE YOU COVERED





Gain one consolidated view of contractor data



Meet safety and ethical compliance requirements



Create a network of responsible contractors



Improve your corporate brand reputation



Achieve operational and cost efficiencies



Adapt faster to changes in business requirements

Join us as we create the safest, most ethical global network of responsible clients and contractors for a better working world.



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GUIDE

ABOUT ALCUMUS

Alcumus is a leading provider of technology-led risk management solutions providing clients with advice, expertise and support to help them identify and mitigate risks, navigate compliance and keep people safe. It supports clients with a wide range of supply chain risk management solutions.

Alcumus connects verified suppliers and contractors in a two-way commitment to ethical best practice and sustainable business growth. This allows businesses to get robust, accurate and verified information so you can make informed decisions about your suppliers and contractors across your entire supply chain ecosystem.

Alcumus puts people at the heart of its business, building strong relationships with clients to understand their needs, minimise risks and navigate compliance through our in-depth knowledge of your sector, regulations, and challenges.

To find out how our technology, people and expertise anticipate, manage and mitigate risks to protect people, organisations and our planet, you can contact using the details below.

