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**SHAW'S ENTERPRISES LTD.  
BILL S-211 REPORT**

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## Introduction

The following report has been drafted by Shaw's Enterprises Ltd. in alignment with section 11 of Bill S-211 for the financial year ending August 31st, 2023. The entity covered by this report is Shaw's Enterprises Ltd. (Business Number: 889348363)

Shaw's Enterprises Ltd. meets the definition of reporting entity under the act by having a place of business in Canada, doing business in Canada, and having assets in Canada. In addition, Shaw's Enterprises Ltd. meets two out of the three size-related thresholds for revenue and assets as well as for importing and distributing goods.

Shaw's Enterprises Ltd. emphasizes its dedication to honesty and integrity in all business endeavors. Compliant with Bill S-211, this report elucidates the steps taken by Shaw's Enterprises Ltd. to address potential risks related to child labour and forced labour within its operational framework.

## Section A: Structure, Activities, and Supply Chains

Shaw's Enterprises Ltd. operates as a Canadian entity headquartered in Alberta, Canada.

Shaw's Enterprises Ltd. is a family run business that has been involved in the Mining, Oil & Gas, Construction, Industrial, Transportation and Forestry industries. Shaw's is primarily a material distributor with light manufacturing and welding services. Products are imported from multiple countries including Canada, United States, China, and Sweden, Section C includes a comprehensive list of countries of imports. We have seven branches within western Canada with the majority of customers in Canada and some in the USA and abroad.

## Section B: Policies and Due Diligence Processes

At Shaw's Enterprises Ltd., maintaining moral integrity throughout our operations and supply chain is a core tenet. Our dedication to ethical behavior, coupled with our emphasis on nurturing reliable supplier connections, acts as a proactive safeguard against threats like forced or child labour and other immoral behaviors within our operational and supply networks.

Shaw's Enterprises Ltd. has an established supplier code of conduct, implemented few years ago, which emphasizes ethical conduct, labour standards, and human rights within our supply chain. Moreover, we have recently engaged Avetta as our cloud-based supply chain compliance manager. Utilizing Avetta, we employ two forms within the Avetta Community: The Avetta ESG Evaluation and Avetta Canada Modern Slavery Questionnaire, to gather pertinent information from our suppliers.

Below is a detailed list of categories from the Modern Slavery questionnaire, enabling Shaw to capture the Social Practices and associated metrics from suppliers.

### Avetta ESG Evaluation: Supplier Self-Evaluated ESG Questionnaire

- **Modern Slavery Statement:** Suppliers will identify if they have a modern slavery policy/statement, have one in development in the next 12 months, or no policy today.

### Avetta Canada Modern Slavery PQF Elements

- **Modern Day Slavery Policy:** Suppliers must upload their policy and address procedures regarding Modern Slavery.
- **Supplier Chain Transparency:** Focuses on mapping and sourcing across the supply chain.
- **Supplier Audits & Assessment:** Evaluates management systems and processes post-contract award.
- **Labour Policies and Practices:** Ensures subcontractors and labour agencies have controls to prevent illegal labour practices.
- **Training & Awareness:** Procedures for training and recognizing slavery, human trafficking, and forced labour.

- **Recruitment and Employment Practices:** Assessment of labour agencies and providers before engagement.
- **Remediation Processes:** Requires suppliers to prepare and implement plans to address identified issues.
- **Regulatory Compliance:** Identifies compliance issues related to modern slavery.

Looking ahead, Shaw’s Enterprises Ltd. is dedicated to enhancing its due diligence efforts to actively mitigate the risk of forced and child labour in its supply chain. Recent due diligence endeavors, including a thorough risk assessment process detailed in Section C below, exemplify this commitment. These efforts, alongside other initiatives outlined in this report, underscore Shaw’s Enterprises Ltd.’s unwavering commitment to upholding ethical labour standards and fostering a sustainable and responsible supply chain.

## Section C - Forced Labour and Child Labour Risks

In the previous fiscal year, we had not commenced the process of identifying risks, recognizing existing gaps in our assessments and evaluations. To discern potential instances of forced or child labour within our supply chain, Shaw’s Enterprises Ltd. recently conducted a meticulous risk assessment. This evaluation was informed by insights drawn from the Walk Free Global Slavery Index, the OECD Due Diligence Guidance for Responsible Business Conduct, and the US Department of Labour’s List of Goods Produced by Child Labour or Forced Labour. These references served as the foundation of our risk identification strategy. Through this comprehensive scrutiny of the supply chain’s susceptibility to forced and child labour, Shaw’s Enterprises Ltd. brought to light potential risks associated with certain nations.

This risk assessment endeavor does not presuppose the actual occurrence of forced or child labour within our operations or supply chains; rather, it aims to identify conceivable scenarios where such risks could emerge, thus empowering Shaw’s Enterprises Ltd. to enact effective preventative measures. Our assessment acknowledges the pervasive threat of forced and child labour across industries and recognizes inherent susceptibilities within specific sectors of our supply chain, particularly in regions where regulatory frameworks and enforcement mechanisms may be lacking.

The analysis focused on geographic areas that, as per the Walk Free Global Slavery Index and other credible sources, pose a heightened risk of forced and child labour practices. This geographical risk appraisal was coupled with an evaluation of categories of goods deemed at risk, thereby enhancing the precision of our risk assessment.

### Risk Assessment Findings

Through the application of the analysis, Shaw’s identified its suppliers in the following countries:

Low Risk Countries			Medium Risk Countries
Canada	Vietnam	Finland	Turkey
United States	United Kingdom	Netherlands	Philippines
China	France	Italy	India
South Korea	Belgium	Japan	Malaysia
Sweden	Germany	Taiwan	
Australia	Austria	Norway	

Imports from Canada, United States and China accounted for a majority of our procurement spend followed by the remaining import geographies. All countries within our supply portfolio present a low risk in terms of prevalence of modern slavery, according to the Walk Free Global Slavery Index, with the exclusion of Turkey, Philippines, India, and Malaysia.

Shaw's Enterprises Ltd. also examined information sourced from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This assessment is pivotal for isolating specific items within our imported goods that may be susceptible to forced or child labour. Upon the comparison of this data with our imported products, we discovered a potential risk of forced or child labour from our import of textiles such as nylon products from China which represents approximately 0.1% of total spend.

In conclusion, our risk assessment outcomes indicate a minimal exposure to forced and child labour risks within our supply chain relative to our overall expenditures. However, this does not take away from our dedication to recognizing and addressing risks through our risk management protocols and policies. In response to identified risks, Shaw's Enterprises Ltd. will explore avenues to dedicate additional resources and efforts towards bolstering the mitigation and management of forced and child labour risks.

## Section D - Remediation Measures

In the previous fiscal year, there have been no instances of forced or child labour within our operations and supply channels. Hence, no remedial initiatives have been necessary or initiated. Complying with the United Nations Guiding Principles on Business and Human Rights, we underscore the significance of implementing robust remedial measures. Our primary response may encompass a variety of actions, including:

**Policy Review and Strengthening:** Any identification of forced or child labour will prompt a comprehensive review of our relevant policies and practices. This review aims to identify any necessary adjustments or improvements to strengthen our preventive measures and uphold our commitment to human rights across our operations and supply chains.

**Collaboration with Suppliers:** Acknowledging the complexity of supply chains, we are committed to collaborating closely with our suppliers to ensure the effective implementation of remedial measures. This collaboration may involve offering guidance and support to our suppliers.

In addition to this, the presence of Avetta helps us not only identify supplier compliance issues related to modern slavery but also maintain supplier accountability to such issues by requiring suppliers to prepare and implement remediation processes to address any such issues.

While we have not encountered any cases of forced or child labour, we remain vigilant. Should such instances arise in the future, we are committed to taking immediate action. Given the intricate dynamics within supply chains, we affirm our commitment to forging strong partnerships with our suppliers to facilitate the implementation of essential remedial initiatives.

## Section E - Remediation of Loss of Income

In the previous fiscal year, we have not detected any occurrences of forced or child labour within our operations or supply chains. Through the risk assessment, we have gauged the overall risk concerning forced or child labour within the supply chain to be relatively low. Consequently, no initiatives have been instituted to address the loss of income among vulnerable communities.

We recognize the importance of being prepared to take immediate and effective action should any such issues arise. Furthermore, the utilization of Avetta is instrumental in mitigating the repercussions of the loss of income to impacted individuals. The tool helps us isolate instances of supplier non-adherence concerning modern slavery and uphold supplier responsibility by requiring the necessary remediation of issues such as the loss of income to vulnerable individuals.

## Section F - Training

In the previous fiscal year, Shaw's Enterprises Ltd. has not administered any training procedures for recognizing forced and child labour within the supply chain.

Moving forward, through Avetta we can track our suppliers on existing Procedures for training and recognizing slavery, human trafficking, and forced labour. Our aim is to foster a supply chain and workforce that collectively prioritize vigilance and proactivity in preventing instances of forced and child labour.

## **Section G - Assessing Effectiveness**

Although we previously were missing dedicated policies and procedures for appraising the efficacy of preventing forced labour and child labour in our operations and supply chains, our commitment remains steadfast in implementing more rigorous measures should concerns emerge or as industry best practices advance.

## Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

**X** Darren Shaw

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Full Name

**X** President

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Title

**X** 2024-05-29

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Date

**X** 

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Signature\*

'I have the authority to bind 'Shaw's Enterprises Ltd.'