

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN **SUPPLY CHAINS**

2025-2026 Annual Report



Delivering **Canada** to the world · Solutions **canadiennes** à des besoins internationaux

At CCC, we are dedicated to building on our existing human rights and supply chain due diligence practices to take action to identify and mitigate risks associated with forced labour and child labour.

About this Report

This is the third annual report prepared by the Canadian Commercial Corporation (CCC) pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), which came into force on January 1, 2024. The Act contributes to implementing the National Strategy to Combat Human Trafficking and Canada’s international commitments to fight against forced labour and child labour.

This report sets out the steps CCC has taken to prevent and reduce the risk that forced labour or child labour is used at any step in the supply chain of Canadian goods that CCC delivers to governments overseas. It covers the previous financial year ending on March 31, 2026. As CCC delivers on its mandate to promote international trade and help Canadian exporters access markets abroad, this report will be published annually to chronicle our efforts to respect human rights and reduce the risks of forced labour and child labour in the supply chains of the Canadian exports we facilitate.

This report follows the Government of Canada’s optional reporting template for government institutions.

[Read More](#) The *Commitment to Responsible Business Conduct* section of CCC’s website provides online access to our responsible business conduct policy and reporting suite, including our Responsible Business Conduct Framework, Code for Exporters, CCC Code of Conduct and Business Ethics, and CCC’s due diligence questionnaires.

www.ccc.ca/en/about/responsible-business-conduct

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PART 1 : IDENTIFYING INFORMATION

Name of government institution: Canadian Commercial Corporation (CCC)

Financial reporting year (start date, end date): April 1, 2025 – March 31, 2026

Indicate if this is a revised report (Yes or No): No

Indicate if this is a report produced by a federal Crown corporation or a subsidiary of a federal Crown corporation. Indicate the province or territory in which the Crown corporation or subsidiary is headquartered or principally located:

The Canadian Commercial Corporation (CCC) is a federal Crown corporation listed under Schedule III Part I of the Financial Administration Act (FAA), headquartered in Ottawa, Ontario.

Indicate all the sectors or industries in which the Crown corporation or subsidiary operates in:

CCC supports Canadian exporters operating in a variety of sectors of Canadian industry, principally in defence, aerospace, security, construction and infrastructure, clean energy, and information and communications technology. Other sectors that CCC supports include advanced manufactured goods, professional and technical services and training, agriculture, health, and tourism.

CCC operates within the following sectors listed in the Government of Canada's reporting template for the Act:

- Agriculture
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Professional, scientific and technical services
- Health care
- Accommodation and food services
- Other (as specified above)



PART 2 : REPORT CONTENTS

Corporate Structure, Activities and Supply Chains

2.1 Information on the government institution's structure, activities and supply chains

Which of the following accurately describes the government institution's activities? (Check the boxes that apply)

- ☐ Producing goods (including manufacturing, extracting, growing and processing)
 - ☐ in Canada
 - ☐ outside Canada
- ☒ Purchasing goods
 - ☒ in Canada
 - ☐ outside Canada
- ☒ Distributing goods
 - ☐ in Canada
 - ☒ outside Canada

The applicable activities under the Act are “purchasing goods in Canada” and “distributing goods outside Canada”.

Provide additional information on the government institution's structure, activities and supply chains.

1. Structure

The Canadian Commercial Corporation (CCC) is a federal Crown corporation that is accountable to Parliament through the Minister of Export Promotion, International Trade and Economic Development of Canada. Established in 1946 by the *Canadian Commercial Corporation Act*, CCC's mandate is to strengthen international trade between Canada and other nations and to assist Canadian exporters to sell goods and services abroad, by acting either as principal or as agent. CCC is listed as a federal Crown corporation under Schedule III Part I of the *Financial Administration Act*. The Corporation has 120 staff and is headquartered in Ottawa.

2. Activities

For more than 75 years, CCC has promoted and facilitated international trade by helping Canadian companies sell goods and services to foreign governments. As Canada's government-to-government (G2G) contracting agency, the Corporation fulfills this role by entering into commercial contracts with foreign government buyers and Canadian exporters for the sale and delivery of Canadian goods and services, whereby CCC guarantees contract performance on behalf of the Government of Canada. This contracting structure facilitates export opportunities for Canadian businesses by reducing transactional risks for both buyers and exporters and incentivizes buyers to procure from Canada.



As part of these activities, CCC administers the *Defence Production Sharing Agreement* (DPSA) on behalf of the Government of Canada. Under this bilateral defence trade agreement between Canada and the U.S., Canada is treated as part of the U.S. domestic supply base, which enables Canadian exporters to sell goods and services to the U.S. Department of Defense on equal footing with U.S.-based competitors.

CCC also offers contracting services to other Government of Canada departments for the delivery of humanitarian aid and in-kind transfers of military aid to recipients overseas.

In 2025-2026, CCC served almost 800 Canadian businesses, facilitating exports of \$2.5 billion in goods and services to the United States and countries around the world and supporting more than 10,000 jobs in Canada.

CCC's supply chains are structured around its role as a government-to-government contracting entity that facilitates the export of Canadian goods and services to foreign government buyers. CCC acts either as prime contractor or as a procurement agent, sourcing goods and services from Canadian suppliers and service providers to fulfill export contracts. When CCC signs an export contract, it enters into a corresponding subcontract or sourcing arrangement with one or more Canadian companies that design, manufacture, supply, or perform the goods or services required under the export contract. Therefore, CCC does not operate production facilities, fabricate goods, or directly perform exportable services; all such activities are carried out by Canadian exporters and their supply networks engaged through CCC-managed contracts.

3. Supply Chains

CCC strives to work with Canadian exporters who share our commitment to responsible business conduct and to operating in a socially, ethically and environmentally responsible manner in Canada and abroad. The exporters CCC supports in selling goods and services to foreign buyers. CCC's supply chains therefore consist of:

- 1) Canadian manufacturers and service providers that produce or perform the exported goods or services;
- 2) Subcontractors and lower-tier suppliers engaged by those exporters;

Collectively, these entities provide a wide range of goods and services, primarily in the defence, aerospace, security, construction and infrastructure, clean energy, and information and communications technology sectors.

Steps to Prevent and Reduce Risk

2.2 Information on the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by the government institution

Indicate steps taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by the government institution.



From the list of steps provided in the Government of Canada's reporting template for the Act, CCC undertook the following:

- Mapping supply chains
- Developing and implementing an action plan for addressing forced and/or child labour
- Developing and implementing due diligence processes for identifying and addressing the use of forced and/or child labour in the organization's activities and supply chains
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Other (see below)

If applicable, please provide additional information describing the steps taken.

CCC took the following steps during the reporting period to identify and address the risk of forced labour or child labour in its supply chains:

- CCC continued to ensure CCC's due diligence reviews address supply chains and child and forced labour risks. To better understand the supply chains of the Exporters that CCC works with, CCC's due diligence questionnaires require Exporters to provide a description and overall percentage of the raw materials/goods that are used by the Exporter and where they are manufactured or produced. Additionally, Exporters are required to disclose the names of their first-tier suppliers and countries of operations. Exporters must describe whether they have identified any human rights risks associated with their supply chains. They must also indicate whether they have policies and processes in place to identify and prohibit the use of child and forced labour, and make these available for verification. A search is conducted on all companies and their first-tier suppliers to identify any media reports of forced labour as well as adverse reports relating to human rights, bribery, corruption and other responsible business conduct concerns. Where any issues are identified through the due diligence, CCC asks exporters to respond to forced labour media reports and outline any preventative or remediation measures taken, and recommends exporters adopt forced labour policies and procedures, where these are absent.
- On April 1, 2023, launched the CCC Code for Exporters, which sets out CCC's expectations and performance standards for the responsible business conduct of exporters, as well as their suppliers, in respect to human rights, labour and transparent and responsible supply chains, health and safety, environmental protection, and anti-bribery and corruption. The Code strictly prohibits the use of child and forced labour and encourages exporters to conduct due diligence on their supply chains and to flow down the Code's standards and requirements to entities in their supply chain.
- As a condition to doing business with CCC, exporters are required to certify that they agree with the principles of the CCC Code for Exporters, will ensure its application in their operations and disclose potential violations to CCC. Exporters must also certify that they will cooperate in good faith with the National Contact Point (NCP) for the *Organisation for Economic Co-operation and Development's Guidelines for Multinational Enterprises on Responsible Business Conduct* ("OECD Guidelines for Multinational Enterprises") as well as with proceedings before the Canadian Ombudsperson for Responsible Enterprise (CORE) where a



complaint names the company. Exporters must also certify that they have not knowingly sourced products or services from suppliers implicated in forced labour or other human rights violations connected to the repression of Uyghurs and other ethnic minorities in China's Xinjiang Uyghur Autonomous Region (XUAR). Exporters must also provide a declaration that they will take every step possible to ensure that their supply chains conform to Canadian law with respect to the prohibition on the import of forced labour.

- Launched a reporting mechanism on CCC's website to encourage exporters, employees and third parties to submit concerns or allegations of wrongdoing related to CCC's projects or operations. There is an option to submit complaints anonymously. This measure supports CCC to improve supply chain risk identification and mitigation, and its ability to implement the Government of Canada's Public Servants Disclosure Protection Act, CCC's Disclosure of Wrongdoing policy, and the CCC Code for Exporters.
- In previous reporting years, CCC delivered the online course "Forced Labor and Human Trafficking: Risk & Regulation", through TRACE International to employees who may have direct communication with exporters and customers or who may be involved in the review, approval and monitoring of suppliers. During the reporting period, CCC extended this training to Canadian Exporters as part of its due diligence process, while also making it publicly available on the CCC website to the broader Canadian business community. As a result, several companies enrolled employees, who successfully completed the training this year.

Policies and Due Diligences Processes

2.3 Information on the policies and due diligence processes in relation to forced labour and child labour

Does the government institution currently have policies and due diligence processes in place related to forced labour and/or child labour? (Yes or No):

Yes

If yes, which elements of the due diligence process has the government institution implemented in relation to forced labour and/or child labour?

CCC has implemented the following in relation to forced and/or child labour:

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships

If applicable, please provide additional information on the government institution's policies and due diligence processes in relation to forced labour and child labour

CCC's commitment to responsible business conduct (RBC) means that we have policies and processes in place to guide our work and ensure RBC and human rights are core guiding principles within the organization. CCC's adherence to these standards is an important aspect of our risk management procedures in which we review, identify, and seek to prevent, mitigate and monitor human rights risks and



impacts. CCC's RBC and human rights policies and processes are an integral part of CCC's certification and approval of export contracts within the Risk and Opportunities Committee (ROC).

Policies and Procedures

The full suite of policies and procedures is available on CCC's website, and include the following:

- **CCC's Responsible Business Conduct Framework** sets out CCC's approach and commitment to RBC and human rights and to ensuring these are core guiding principles within the organization. It articulates CCC's commitment to operating in a manner consistent with Canada's human rights commitments domestically and internationally and with internationally recognized human rights in line with the *United Nations Guiding Principles on Business and Human Rights* and the *OECD Guidelines for Multinational Enterprises*. The Framework establishes CCC's cross-functional Human Rights Committee, which has authority to provide overall leadership on CCC's human rights policies and practices.
- The **CCC Code for Exporters** sets out CCC's expectations and performance standards for the responsible business conduct of exporters, as well as their suppliers, and for the responsible sourcing of materials and transparent supply chains. The Code encourages exporters to integrate RBC practices throughout their operations and supply chains in support of responsible sourcing. Exporters are expected to have a robust risk assessment system in place and to take appropriate steps in fulfilling due diligence responsibilities. In particular, the Code strictly prohibits the use of child and forced labour and encourages exporters to conduct due diligence on their supply chains and to flow down the principles of the Code to entities in their supply chain. Exporters are also expected to implement all reasonable measures possible to ensure that their supply chains conform to Canadian laws and restrictions with respect to Canada's prohibition on the import of goods produced by forced labour.
- The **Code of Conduct and Business Ethics** sets out the duty of CCC employees to uphold RBC and their responsibilities in the areas of human rights, anti-corruption and the environment. Responsibilities include active enterprise risk management to contribute to CCC's long-term sustainability and protect the reputation of CCC and the Government of Canada, including by reviewing, identifying, and seeking to prevent, mitigate, monitor and report on actual and potential human rights risks and impacts. Employees are responsible for ensuring that respect for human rights is a core principle throughout CCC's business activities, and each year, all CCC employees must agree to abide by the Code as a condition to employment at CCC.
- **CCC's Human Rights Policy** stipulates that CCC must ensure its transactions comply with Canada's human rights obligations and with international human rights and due diligence standards. Steps must be taken by CCC and its exporters to identify, address, mitigate and monitor the actual or potential adverse human rights risks and impacts of transactions. The policy also outlines CCC's role in facilitating access to remedies by influencing exporters to adopt policies and processes to identify and remediate human rights impacts, supporting the Government of Canada's grievance mechanisms, and consulting stakeholders on potential human rights violations to prevent or remediate impacts. CCC is committed to identifying emerging best practices and incorporating those into our human rights policies and procedures. The policy sets out responsibilities and the governance structure for CCC's human rights commitments, including the role of the Human Rights Committee in undertaking project-specific human rights due diligence reviews.
- **CCC's Human Rights Due Diligence Instruction** defines the business processes to be followed to ensure RBC and human rights are core guiding principles in CCC's business transactions. The instruction sets out requirements of the



human rights due diligence process and the steps to be followed. As part of the due diligence, CCC sends out questionnaires to its suppliers on integrity and human rights issues.

Due Diligence Processes

CCC reviews supply chains as part of its due diligence on all proposed transactions. Due diligence questionnaires require CCC's exporters to disclose the origin of their products and raw materials, names of first tier suppliers and countries of operation, and whether they have policies and processes in place to screen, assess and monitor their supply chains. CCC's Compliance team performs a search of open sources on the exporter and their first-tier suppliers, follows up with the exporter if concerns are found, and provides recommendations to implement appropriate due diligence policies and processes. Where an exporter sources goods or services entirely from third-party entities (i.e., acts as a service provider), those entities are required to be subject to CCC's due diligence process as part of the export supply chain. For construction projects, due diligence questionnaires based on the World Bank Group standards seek additional information related to forced labour risk mitigation and measures. As part of the due diligence, suppliers must also certify a number of declarations related to child and forced labour, including undertakings to comply with the Code for Exporters, the ban on Uyghur forced labour, Canada's various grievance procedures, and Canadian laws prohibiting the import of forced labour.

Assessing and Managing Risk

2.4 Information on the parts of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk

Has the government institution identified the parts of its activities and supply chains that carry a risk of forced labour or child labour being used?

CCC has a due diligence process to identify and assess risks including forced and child labour across its export transactions.

If yes, has the government institution identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains?

- The sector or industry it operates in
- The types of products it produces, sells, distributes or imports
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour



- **The use of child labour**
- **None of the above**
- **Other, please specify**

Other: In line with published Government of Canada guidance, CCC notes that products or services originating from China's Xinjiang Uyghur Autonomous Region (XUAR) carry significant risks of forced labour.

Has the government institution identified forced labour or child labour risks in its activities and supply chains related to specific sectors and industries?

Yes, in the construction sector and in the apparel subsector of manufacturing.

If applicable, please provide additional information on the parts of the government institution's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the government institution has taken to assess and manage that risk.

The risks of child and forced labour have been identified as particularly elevated in the construction industry. CCC's construction projects are undertaken overseas, where these risks may be even more prevalent or pronounced in countries with weaker controls. To address the risks in this sector, CCC requires Exporters to ensure infrastructure projects adhere to the IFC Performance Standards and have performed any required environmental and social risk impact assessment, which incorporates child and forced labour. CCC's due diligence questionnaire requires Exporters to share any relevant assessments and risk management plans, that includes what measures exist to prevent and mitigate child and forced labour risks and to protect vulnerable groups, such as migrant workers. Once projects are active and underway, ongoing monitoring is required to address any risks that may arise in the project life cycle. Any concerns that may arise can be raised internally within CCC or via an anonymous reporting platform on CCC's website.

With regards to apparel, CCC undertakes its customary due diligence process to assess and manage child and forced labour risks. Through due diligence questionnaires, exporters are required to disclose their first tier suppliers and whether they have identified any human rights risks associated with their supply chains. They must also indicate whether they have policies and processes in place to identify and prohibit the use of child and forced labour and make these available for verification. A search is then conducted on all companies and their first-tier suppliers to identify any media reports of forced labour. Where any issues are identified through due diligence, CCC will seek to engage with and influence exporters. CCC will ask exporters to respond to forced labour media reports and outline the remediation measures taken and will recommend exporters adopt forced labour policies and procedures where these are absent.

Remediation Measures

2.5 Information on any measures taken to remediate any forced labour or child labour



Has the government institution taken any measures to remediate any forced labour or child labour in its activities and supply chains?

To date, no cases of forced labour or child labour have been identified in CCC's activities or supply chain. Previous concerns identified include adverse public reports linking a company in the export sale supply chain in the apparel sector. The findings were communicated to CCC's direct supplier, who confirmed that none of the goods supplied were manufactured or sourced through the use of forced labour. It was noted that CCC's tier-two supplier had terminated its business relationship with the manufacturer that had been implicated in the use of forced labour. As a result of CCC's recommendation, the company (CCC's direct supplier) implemented a written Code of Conduct that prohibits bribery, corruption, and child labour in its supply chain.

Remediation of Lost Income

2.6 Information on any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in the institution's activities and supply chains

Has the government institution taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced or child labour in its activities and supply chains?

Not applicable. CCC has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains.

Training

2.7 Information on the training provided to employees on forced labour and child labour

Does the government institution currently provide training to employees on forced labour and/or child labour? (Y/N)

Training considered on a bi-annual basis for employees who may have direct communication with exporters and customers or who may be involved in the review, approval and monitoring of export sales.

If applicable, please provide additional information on the training the government institution provides to employees on forced labour and child labour.

CCC provides bi-annual mandatory training to employees that work directly on CCC transactions on "Forced Labor and Human Trafficking: Risk & Regulation", as well as to members of the Integrity Compliance Committee and the Human Rights Committee, who are responsible for reviewing Exporters and projects for integrity and human rights compliance. The training is offered through TRACE



International. Training on the Code of Conduct and Business Ethics is mandatory for all employees as a condition to employment at CCC and features the CCC Code for Exporters that brings awareness to supply chains risks including combatting forced and child labour.

Assessing Effectiveness

2.8 Information on how the government institution assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains

Does the government institution currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Yes or No)

No

