



Red-L Distributors Ltd.

CORPORATE HEADQUARTERS
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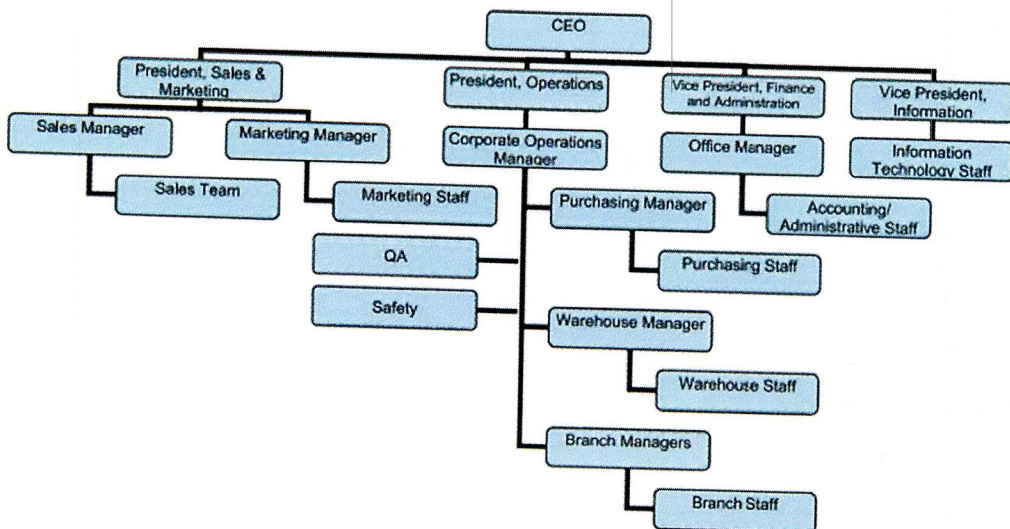
Forced Labour & Child Labour in Canadian Supply Chains Act

This report, prepared by Red-L Distributors Ltd. ("Red-L") is a single report which covers financial year ending April 30, 2024. While we had not yet included forced labour and child labour in our supply chain, we had initiated examining our internal procedures and guidelines to devise and prepare plans for future inclusion and continual process enhancement. By prioritizing transparency, accountability, and cooperation, we aim to establish a benchmark for conscientious and ethical business practices.

At Red-L we acknowledge the complexity of the global issue of forced labour and child labour and its profound impact on human rights. Our commitment to ethical business practices is essential to our identity as a responsible corporate citizen.

Red-L is a privately owned Canadian corporation founded in 1961 that operates in the distribution of hydraulic and industrial hoses and fittings, along with lubricants, Tools, and MRO products. Our main activities include sales of industrial goods, as well as some hose repairs, and hose certification within Alberta and Northern B.C. Repairs and certifications are all completed in Canada.

We operate mainly in Alberta with 10 branches, and 1 branch in British Columbia. Our sales are mainly domestic, with some sales into the United States of America. The Company currently employs 111 employees all within Canada.



At Red-L we ensure all senior executive levels manage policy, procedures, and vendor management. Our Quality Control Manager has been appointed as our management representative who, irrespective of other duties, has the responsibility and authority to ensure that the processes needed for our quality management system are established, implemented, and maintained; reporting to our Executive Management team on the performance of our quality management system and any need for improvement; and for ensuring the promotion and awareness of our business requirements.

All our employees contribute to the success of our quality management system. In addition to the responsibilities and authorities defined within their applicable job descriptions, all individuals are responsible for adherence to our established quality system policies and procedures and through commitment and teamwork contribute to the effective implementation and maintenance of our quality management system.

The Quality Control Manager also effectively manages onboarding, training, and development of employees for the respective units of business, including Human Rights Policies. All employees are provided with a company handbook that outlines the expected behaviour and ethical standards that each employee must adhere to in their professional conduct.

Our company values open and honest communication, and we believe that addressing conflicts in a timely and transparent manner is crucial for building trust and maintaining a positive work environment. We have an "open door" policy that encourages employees to share their concerns or issues without fear of retaliation and judgment. Employees are reminded to point out and notify their direct manager of any signs of human rights violations. Upon notification, managers are then to notify our leadership team, investigate to determine if notification to governing agency is required.

Red-L recognizes that certain parts of our supply chain may carry risks of forced labour or child labour. As part of our commitment to our Tier One suppliers, we have performed within their terms and conditions related to human rights which outline forced labour and child labour within their supply chain.

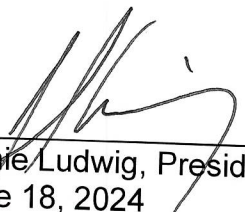
As new supplier partnerships are developed, we discuss the various aspects of business expectations. We also review suppliers' operations to ensure not only the quality of the product but to identify if there are any warning signs associated with human rights violations including forced labour or child labour. We also perform background checks prior to engaging in business. With existing suppliers, we maintain open discussions and participate in on-site facility tours to ensure our commitment standards are intact.

In 2023, we did not identify any forced labour or child labour. If such events were to occur, we would work with the supplier and if necessary, would immediately seek to report to governing authorities.

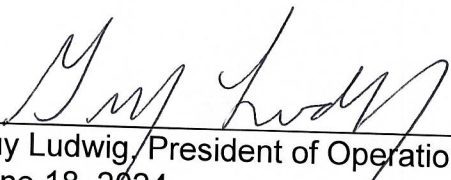
In anticipation of the new Forced Labour and Child Labour legislation, we took proactive steps in 2023 to review our policies to identify areas to enhance compliance. This included a review of our Human Rights Policy, a policy specific to Forced Labour and Child Labour. Our goal is to maintain a transparent and fair supply chain that reflects our values of respect for human rights.

With a strong sense of responsibility, Red-L Distributors Ltd. is dedicated to upholding ethical sourcing and supply chain integrity. We acknowledge the critical importance of transparency and accountability, which is why we are actively reviewing and revising our policies to enhance the effectiveness of our compliance process with respect to forced labour and child labour. The results of these efforts will be shared in next year's report as part of our ongoing commitment to continuous improvement.

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 of the entity or entities listed above. Based on my knowledge, 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 report year listed above.



Jamie Ludwig, President of Sales
June 18, 2024
I have the authority to bind
"Red-L Distributors Ltd."



Guy Ludwig, President of Operations
June 18, 2024
I have the authority to bind
"Red-L Distributors Ltd."