



2023
Modern
Slavery Report
ValLEN Canada Inc.



REPORTING REQUIREMENT

This document constitutes the first Modern Slavery Report (the “**Report**”) of Vallen Canada Inc. (“**Vallen Canada**” or “**we**”), covering our fiscal year ended December 31, 2023. We issue this Report pursuant to sections 11(1) and 11(3) of Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”).

CORPORATE STRUCTURE

Vallen Canada (business number 88646 5350) is a privately held company, federally incorporated in Canada. Vallen Canada’s head office is located at 3256-56 Ave Edmonton, Alberta, Canada T6P 0G1.

Vallen Canada has a total of 467 employees in Canada as of December 31, 2023. There are no Vallen Canada employees based out of any nation other than Canada. Vallen Canada follows the calendar year for fiscal year reporting.

OUR OPERATIONS

Vallen Canada operates in the industrial sector, as a business-to-business distributor of industrial supplies and consumables. As such we purchase goods for resale from thousands of manufacturers, distributors, and vendors located in Canada, and outside of Canada.

Our local footprint includes 26 branch locations across 7 provinces.





POLICIES

Vallen Canada has documented policies requiring each of our associates as well as each of our vendors and suppliers to adhere to legislation governing fair labour practices including, but not limited to forced labour, and child labour.

Additionally, Vallen Canada has a documented “whistle blowing” policy ensuring protection from retaliation of any kind for any individual who raises concerns about Vallen Canada supply chain or operations.

These policies can be found on www.vallen.ca/content/compliance under “Compliance”.

Vallen Canada Code of Conduct

Our Vallen Canada team is focused on doing the right things, in the right way. We believe this benefits our customers, suppliers, associates, our company and our community. This Code of Conduct ensures that our standards and expectations are clearly defined and should be a reference for all associates regarding our actions.

Vallen Canada Supplier Code of Conduct

Vallen Canada is committed to acting as a responsible corporate citizen worldwide. We believe that high standards for ethical, social, and environmental behaviors are essential, and we expect the same of our suppliers and their supply chain. Our suppliers shall comply with the Vallen Canada Code of Conduct, all applicable laws, and regulations.

Vallen Canada Canada Inc Whistleblowing Policy

Vallen Canada has established a whistleblowing policy (the “**Policy**”) to provide a way for those who are aware of circumstances or behaviors which they believe, in good faith, could represent violations of Vallen Canada’s Code of Conduct, Supplier Code of Conduct, policies and procedures and/or of applicable laws and regulations, to identify and share those concerns.

DUE DILIGENCE PROCESSES

Any risk that Vallen Canada foresees in our supply chain operation is limited to upstream (second or third tier) supply chain entities that supply components to the goods Vallen Canada offers to resale.

In addition to the documented policies that Vallen Canada publishes to ensure compliance to appropriate legislations governing fair labour practices, Vallen Canada also;

1. Has published standard terms and conditions for entities that sell goods to Vallen Canada requiring such entity to abide by applicable fair labour practice legislation.
2. Has an industry standard third-party audit process for any manufacturer that engages in production of exclusively branded product for Vallen Canada including, but not limited to forced labour, and child labour.

REMEDATION MEASURES

To date, Vallen Canada has not been made aware of, nor have we discovered any instances of activities within our supply chain that contravene any fair labour practice legislation. As such, no remediation measures have been taken.



In the future, if, by whatever means, Vallen Canada becomes aware of any alleged instances of breach of fair labour practice legislation anywhere within our supply chain, Vallen Canada will:

1. Quarantine impacted goods until allegations have been verified.
2. Determine the type and level of response, including but not limited to, cessation of business operations with the entity that has the alleged breach until such allegations have been investigated and or resolved, and
3. Report to Canadian officials any information we have concerning such allegations.
4. Design, implement and monitor a remediation action plan.
5. Close the incident and capture lessons learned.

TRAINING

Each Vallen associate undergoes mandatory compliance training, including personal acknowledgement and sign off on our Vallen Canada Code of Conduct policy.

In addition to the mandatory Code of Conduct training and acknowledgement, Vallen Canada:

- Employs Human Resources Professionals with CPHR designation;
- Attends various annual Canadian legal update sessions, seminars, webinars, and the annual CPHR conference;
- Maintains subscriptions to professional industry publications, and government websites; and
- Subscribes to Canadian federal and provincial human rights association publications and events.

SELF ASSESSMENT ACTIVITIES

As part of Vallen Canada's measures to ensure compliance to fair labour practices in our company and supply chain;

- Each Vallen Canada associate must provide Government Issued photo ID/ S.I.N to verify age and identity;
- Similar credential validation is required for any Vallen Canada associates working in Canada on a work visa;
- Any manufacturer facility, producing goods for Vallen Canada's exclusive brand is audited to industry standards; and



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- Vendors and suppliers are required to comply with Vallen Canada's terms of purchase that stipulate compliance with fair labour standards.

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 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.



Karen Chester

President and Director, Vallen Canada Inc.

May 31, 2024

I have the authority to bind Vallen Canada Inc.





CORPORATE OFFICE:
3256 56 AVENUE NW
EDMONTON, ALBERTA CANADA

780 490 2700