

May 22, 2024

# Bill S-211: Modern Slavery and Human Trafficking

## Statement

Wallace & Carey Inc. is committed to complying with applicable laws and to acting with care, respect, integrity, and responsibility when it deals with its teammates, customers, and suppliers and when it interacts with communities. Recognizing the suffering they cause, we do not tolerate any form of forced labour, slavery, human trafficking or child labour in our operations and supply chain. As a Canadian Distribution company, we recognize the importance of implementing appropriate measures to mitigate the risk of forced labour and child labour in our operations, either directly or through our business channels.

Our commitment to each other is to work together in a positive, fair, and respectful work environment, recognizing individual contributions to the achievement of our collective goals: profitability, excellence, and growth. We conduct our business in a manner that develops, maintains, and promotes our reputation for quality and integrity within our industry and community. Taking action to mitigate risk of slavery and human trafficking is an integral part of this lasting commitment.

## Supply Chain and Activities

Wallace & Carey Inc. is one of Canada's leading distribution and logistics companies that celebrated its 100<sup>th</sup> year anniversary in 2021. Wallace & Carey Inc. services more than 7,000 customer locations Canada wide in the convenience retail industry, theatre chains, and Canada's most successful independent businesses.

The Wallace & Carey team provides innovative, efficient, courteous, and cost-effective service. With more than 1,000 deliveries a day, adding up to millions of delivered items each year, we work hard to make sure our customers get what they need when they need it, and we get it right the first time. To ensure that customers get the products they need in a timely fashion, Wallace & Carey Inc. uses a variety of innovative tools to process and deliver every order accurately. Our experienced and dedicated teammates effectively use these tools to operate our real-time system.

Wallace & Carey Inc. warehouses more than 7,500 items in eight modern distribution Centers from Ontario to British Columbia. Product specialties include groceries, confectioneries, sundries, health and beauty products, frozen foods, tobacco products, cinema confectioneries, and automotive products.

We are committed to being a great Company and are proud of the integrity, efficiency and good citizenship of our Teammates. Maintaining our good name depends upon continuance of these high standards of conduct by all Teammates

As one of Canada's leading distribution companies, we work to high standards and abide by all laws and regulations that are relevant to our business. Maintaining fair and respectful relationships with our vendors, suppliers, teammates and all stakeholders is an important part of our culture; we aim to make lasting and positive impacts in all our communities in which we live and work. We expect nothing less than the same from our supplier and business partners.

This is Wallace & Carey's first modern slavery statement following the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada).

### **Our policies**

Our company is committed to working with teammates, suppliers and business partners that do not engage in forced labour, child labour, or any form of slavery. Our existing policies speak to mitigating the risk of forced labour and child labour in our own work environments and we are committed to continuing to review our internal business and supply chain in the coming year for any risks as it pertains to forced labour, child labour, or any forms of modern slavery.

Relevant policies include:

- ✓ Diversity Statement
- ✓ Business Conduct also known as *Code of Conduct* detailed in our Teammate Handbook

*Every teammate is expected to comply with all Federal, Provincial, Territorial and Municipal laws, statutes and regulations affecting Wallace & Carey. As well, the Company demands that Teammates observe the highest standard of integrity in all dealing with Customers, fellow Teammates, other companies, governments and the general public.*

- ✓ Respect in the Workplace Policy
- ✓ Workplace Violence and Harassment Prevention Policy
- ✓ Safety Policies
- ✓ Safety and Security Reporting Policy

These policies are monitored by their owners, working closely with all relative departments within the company, including Legal, Health and Safety, Human Resources, Operations, Information Technology and Procurement.

### **What we are doing**

Maintaining respectful, kind, and honest relationships with each other and our communities is one of the Company's fundamental values. As outlined in our mission statement, "*We conduct our business in a manner that develops, maintains and promotes our reputation for quality and integrity within our industry and community*", we are committed to maintaining a work environment that promotes and protects fundamental human rights. We do this through upholding our relationships with our teammates, suppliers, and other business partners. We also expect each one of them to avoid causing or contributing to any human rights infringement through their own business actions.

### **Actions Taken & Risk Assessment**

We acknowledge that we have an on-going responsibility to ensure that appropriate measures are implemented to mitigate the risk of forced labour and child labour in our operations, directly or through our supply chain. To that end, we have taken the following steps:

- ✓ Wallace & Carey has determined that it is an entity within scope of the Fighting Against Forced Labour and Child Labour in Supply Chains Act ("S-211" or "the Act").
- ✓ Wallace & Carey is responding by taking proactive measures to work closely with suppliers to identify modern slavery risks to target and prioritize its actions to respond to these risks.
  - This was done by developing a questionnaire to assess suppliers' policies and practices on forced labour and child labour.
  - The questionnaire was sent out to our vendor list. Responses were collected and results were tabulated to identify and assess possible risks related to child labour and forced labour in our procurement process.
  - Of the 230 vendors who received the questionnaire, 41 responded and provided information. Vendors were given a 30-day window to complete the questionnaire.

- 71% of respondents determined that their organization was not required to report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“S-211”) or other Modern Slavery Legislation
- 41% of respondents said they currently have a policy or policies in place to deal with forced labour and child labour and 51% of respondents confirmed that they have a person or team overseeing forced labour and child labour risks.
- Most respondents feel that their organization is doing their due diligence in identifying, preventing and mitigating risk specific to modern slavery in their operations and supply chains.
- Data collected was reviewed and assessed by our internal stakeholders and of the 41 responses, no risk was identified.

### **Remediation Measures**

Wallace & Carey Inc. will continue working alongside our supply chain to monitor and assess possible risks as they relate to child labour and forced labour in our procurement processes. Wallace & Carey Inc. has not taken any measures to remediate forced or child labour because it has not identified those risks in our operations or supply chain for 2023. Wallace & Carey Inc. understands the importance of providing training to our employees and we commit to providing our employees with training on how to identify, assess and respond to the risks of forced labour and child labour. Our internal stakeholders will continue to monitor our company policies and make any necessary provisions to align ourselves better as it pertains to our business.

### **Attestation**

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, 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.



Pat Carey – President & Chief Executive Officer

May 22, 2024

[date]

I have the authority to bind Wallace & Carey Inc.