



**Commercial
Products**

**Industrial
Products**

**Turbine
Products**

**Retrofit
Solutions**

This report is prepared for VAW Systems Ltd. (“VAW”), for the 2023 reporting year, in accordance with Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the “Bill”).

Entity Structure, Activities and Supply Chains.

VAW is headquartered in Winnipeg, Manitoba, and operates primarily as a custom manufacturer of engineered noise control products. VAW produces goods for sale and distribution both in and outside of Canada.

VAW purchases goods almost exclusively from North American suppliers, with the largest spend going towards Rolled-Steel suppliers and fabricators. VAW also spends significantly in the procurement of goods such as media, gasketing and sealants, paint, and various hardware, along with packaging and freight services.

VAW coordinates freight for shipping destinations within Canada and the US. For orders with a final destination outside of North America, freight is coordinated by customers.

Policies and Due Diligence

In the 2023 financial year, VAW began the process of reviewing the internal policies and procedures in place to prevent and reduce the risk of forced labour or child labour in the supply chain, to understand where current policies are lacking, and where efforts should be focused for the 2024 financial year. Note, this initial assessment was not completed until the 2024 financial year.

Internally, VAW complies with all Provincial and Federal Labour laws. All production employees are unionized, and any overtime is voluntary. VAW maintains a Respectful Workplace Policy and is committed to creating a workplace free from harassment and discrimination.

Externally, VAW maintains long-term relationships with many of the company’s major suppliers. VAW monitors material test reports received on steel purchases to comply with various customer information requests on the usage of conflict minerals tantalum, tin, tungsten, and gold.

Identified Risks

As of 2023, VAW did not identify any risks of forced labour or child labour in the supply chain. A risk assessment is underway at the time of writing in 2024, with a focus on reviewing steel product suppliers, and manufacturing subcontractors.

Remediation Measures

As VAW did not identify risks of forced labour or child labour in its supply chain, no remediation measures were identified or taken.

Employee Training

In 2023, key employees spent time learning about Forced Labour/Child Labour for the purposes of developing this report and developing an action plan for 2024 onwards.

Assessing Effectiveness

VAW has taken no actions to assess its effectiveness in preventing and reducing risks of forced labour and child labour in its activities and supply chains.

Sign Off

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the reporting year ending December 31, 2023. It has been issued on behalf of VAW Systems Ltd. and approved by VAW Systems Ltd. Board of Directors.

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.

I have the legal authority to bind VAW Systems Ltd.

(signed) Dan Sierens
Chairman of the Board of Directors
April 30, 2024