

**THE VALENS COMPANY INC.**

**POLICY AND PROCEDURES FOR SUBMISSION OF COMPLAINTS  
RELATING TO FINANCIAL AND OTHER MATTERS  
(WHISTLEBLOWER POLICY)**

**THE VALENS COMPANY INC.  
WHISTLEBLOWER POLICY**

**1. General**

The Valens Company Inc. (the “**Company**”) is committed to maintaining the highest standards of integrity and accountability in its business affairs while at the same time seeking to grow its business and enhance shareholder value. The guidelines and principles that should govern our business conduct are set out in the Company’s Code of Business Ethics and Conduct (the “**Code**”). As part of our commitment to ethical and responsible business conduct, we are committed to seeking to maintain accountability of our accounting, internal controls and auditing processes (“**financial matters**”). It is also our policy to seek to ensure compliance with all applicable legal and regulatory requirements relating to our business in all material respects. We expect all of our officers, directors and employees to participate actively in seeking to maintain this standard.

The purpose of this whistleblower policy (the “**Policy**”) is to provide officers, directors and employees with a process for disclosing complaints or concerns regarding financial matters and other matters including violations of our Code of Business Ethics and Conduct. This Policy also describes the standards and principles that are expected to govern the processing of all complaints and concerns whether they are received from people within the Company or external parties.

**2. Reporting Process - Informal**

The Company has an open-door policy and invites all directors, officers and employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, your immediate supervisor is in the best position to address an area of concern. Where it is appropriate, you can also speak to anyone in management whom you are comfortable in approaching. The following management representatives have been specifically designated for handling communications relating to this Policy: the General Counsel, and the Chief Financial Officer. Supervisors and managers are encouraged to report complaints or concerns to the Company’s Audit Committee Chair, who will in turn oversee the appropriate investigation process. For concerns related to financial matters or suspected fraud, or as an alternative to the Company’s open door policy, you can file a report (with an option to do so anonymously) through the Company’s independent 3<sup>rd</sup> party service provider ClearView Strategic Partners Inc., (“**ClearView**”) by following the Formal Procedure outlined in the subsection below or contact the Company’s Audit Committee Chair directly.

**3. Reporting Process – Formal Procedure**

In certain circumstances it may be necessary for you to make a formal submission regarding a perceived or suspected violation of financial matters, securities laws or other matters. Such formal submissions are handled by ClearView through a secure, confidential and anonymous process using any one of the methods outlined in the chart below:

<b>Method</b>	<b>Procedure</b>
Online via computer or mobile device	<a href="http://www.clearviewconnects.com/">http://www.clearviewconnects.com/</a>
Live agent via toll-free number or Skype audio	1-888-736-0192
Voicemail via our call center	1-888-736-0192
By mail	ClearView Connects P.O. Box 11017 Toronto, Ontario

	M1E 1N0 Canada
--	-------------------

#### **4. Confidentiality**

The Company, including all persons designated to handle complaints under this Policy, will seek to treat all communications as confidential to the fullest extent permitted under law and to the extent possible, consistent with the need to conduct an adequate investigation. We encourage you to identify yourself when making a complaint or communicating a concern. However, you may also do so anonymously if necessary.

The Company has restricted access to view reports filed on ClearView. Persons acting on behalf of the Company in the following roles have been granted sole access to view and respond to reports filed through ClearView (hereinafter individually and collectively referred to as the "**Reviewer**"):

1. Chair of the Audit Committee
2. General Counsel

#### **5. No Retaliation**

It is the Company's policy that you are able to communicate freely in respect of matters covered by this Policy and without any concerns that you could be subject to any form of penalty or adverse employment consequence, including discharge, suspension, demotion or transfer, harassment or discrimination ("**retaliation**"). Every director, officer or employee who makes a complaint regarding a perceived violation under this Policy is required to be protected against any retaliation. Any director, officer or employee who retaliates against someone who has reported a violation in good faith under this Policy will be subject to discipline up to and including termination of employment. The procedures set out in this Whistleblower Policy are designed to encourage and enable officers, directors and employees to raise serious concerns regarding the Company for proper resolution.

#### **6. Acting in Good Faith**

Anyone filing a complaint under this Policy must be acting in good faith and have an honest belief that the complaint is well-founded, including a reasonable factual or other basis. Any complaints based on allegations that are without basis and cannot be substantiated, or that are proven to be intentionally misleading or malicious will be viewed as a serious offense.

#### **7. Handling of Reported Violations**

The following principles and procedures shall apply to complaints received under this Policy:

1. The Reviewer will receive an email notification from ClearView when a report has been submitted.
2. The Reviewer will have the ability to make comments, ask questions and attach additional information.
3. The reporter can elect to receive email notifications when there has been activity on their report.
4. The reporter can elect to engage in a 'chat-style' conversation at the request of a Reviewer
5. The Reviewer should register your complaint in a log and open a file. Both should be confidential and secure.
6. If the Reviewer determines that your concern is covered by this Policy, he or she should conduct an investigation and determine whether further action is required. In conducting his or her investigation, the Reviewer may enlist inside or outside legal, accounting, human resource or other advisors and may also refer the matter to the full membership of the Audit Committee.

7. It is the Company's Policy to comply with all rules, regulations and legislation in conducting its investigations under this Policy and will take all reasonable efforts to seek to keep the complaint and investigation confidential, if requested or required. In certain circumstances, the Company may be required to disclose matters relating to material infractions of financial matters or other matters in accordance with securities laws or stock exchange rules.
8. All investigations should be conducted efficiently, taking into account the nature and complexity of the issues involved.
9. Periodically, reports will be provided to the Audit Committee and the Company's external auditors on the aggregate number of complaints received, investigations conducted and the outcome of those complaints and investigations. The Audit Committee may also discuss such complaints with the full membership of the Board of Directors where appropriate.
10. The Audit Committee shall be advised promptly of any complaint that is considered to be well-founded and that may have material adverse consequences for the Company.

In addition to reporting suspected violations of financial matters, certain other provincial and federal legislation relating to environmental, labour, privacy, human rights, competition and other matters also provide protection to individuals who report suspected violations by their employers. We encourage all employees to comply fully with the requirements of these laws if any violation or breach is suspected, without fear of retaliation.

#### **8. Complaints from Third Parties**

Securities laws require the Company to establish procedures for the receipt, retention and treatment of complaints regarding financial matters. This may include complaints that are received from third parties. Accordingly, third parties may access the whistleblower hotline procedures posted on the Company's website.

#### **9. Departures**

The Board of Directors may, from time to time, permit departures from the terms of this Policy, either prospectively or retrospectively. This Policy is not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

This Whistleblower Policy was approved by the Board of Directors on April 14, 2020 and may be amended at any time.