



HARRIS TEA COMPANY

BILL S-211

[An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act and to amend the Customs Tariff](#)

Modern Slavery Statement for the Financial Year ended 2023

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by Harris Tea Company to identify and address the risks forced labour and child labor in its business operations and supply chains during the financial year commencing 1 January 2023 and ending 31 December 2023.

Harris Tea Company is the largest private label tea packer in the United States. We are master tea blenders and source directly from tea estates. We blend and pack black and green tea, flavored tea, and herbal blends into various teabags formats for Foodservice, Private Label Retail, E-Commerce, and Specialty Brands markets. Harris Tea conducts its business in compliance with applicable law, and in an ethical and socially responsible manner. The Company has a culture based on fundamental values of integrity, fairness, mutual respect, teamwork, and innovation. Harris Tea Company fully supports the United Nations Global Compact's (UNGC) guiding principles on human rights and labor and aim to provide an example of good human rights and labor practices throughout our business activities.

All suppliers and contractors ("Suppliers") who wish to conduct business with Harris Tea Company are expected to conform to the principles and practices set forth in the Supplier Code of Conduct. Failure to conform as expected may result in a loss of business with the Company.

Group Structure

Harris Tea Company was established in 1988. It is privately held and part of the Harris Freeman Companies.

- Harris Tea Company is led by a CEO. Reporting to the CEO:
 - CFO, SVP Quality & Compliance, SVP Procurement, SVP Retail Sales, Director Commercial Operations, Director Group Engineering, Director Food Service.



HARRIS TEA COMPANY

Supply Chain

- Our Global Tea Management team is a dedicated 18 - person group with more than 150 years of combined experience.
- Sourcing from all major tea producing countries including Rainforest Alliance and Fair Trade.
- Global Presence and Tea Factory Inspections at Origin.
- Long-Term Supplier Relationships.
- We purchase from more than 30 tea gardens.
- We directly source from 12 key tea growing countries.
- Our products are manufactured in our facilities in Marietta, GA and Moorestown, NJ.

Risks in Supply Chain

- Procurement of tea leaves and the use of intermediaries (ie importers)
- Use of temporary, seasonal labor in tea production

Actions Taken

- All suppliers must sign the Supplier Code of Conduct, supporting the United Nations Global Compact's (UNGC) guiding principles on human rights and labor and aim to provide an example of good human rights and labor practices throughout our business activities.

From the Harris Freeman Supplier Code of Conduct, see Appendix 1:

- Employment Practices: The following principles shall apply to the Supplier's employment practices:
 - Child Labor: Child labor is strictly prohibited. The Supplier shall not employ workers under the legal age of employment. If the country in which the Supplier is doing business does not define "child" for purposes of minimum age of employment, then the minimum age of employment shall be 15 years of age. If local law allows the employment of persons at 14 years of age or younger, then the minimum age of employment shall be 14 years of age. In either situation, persons between the ages of 14 and 16 may only work during periods of time when they are not required by law to attend school (except as may be permitted under apprenticeship or similar programs in which the minor is lawfully participating).



HARRIS TEA COMPANY

- Prison or Forced Labor: The Supplier will not use prison or forced labor or any form of indentured servitude. The use of physical punishment, confinement, threats of violence or other forms of physical, sexual, psychological, or verbal harassment or abuse as a method of discipline or control is prohibited.
 - Working Hours: The Supplier's employees will work in compliance with all applicable laws pertaining to the number of hours and days worked. Employees will be provided with reasonable daily and weekly work schedules, and adequate allowance will be made for time off.
 - Compensation: Employees will be fairly compensated and provided with wages and benefits that comply with applicable laws, including appropriate compensation for overtime work and other premium pay situations required by applicable law.
 - Non-Discrimination: The Supplier shall conform to all applicable laws prohibiting discrimination in hiring and employment practices on the basis of race, religion, sex, age, physical ability, national origin, or any other applicable prohibited basis.
 - Workplace: The Supplier shall provide employees with safe and healthy working conditions. At a minimum, potable drinking water, clean restrooms, adequate ventilation, fire exits and essential safety equipment, an emergency aid kit, access to emergency medical care, and appropriately lit workstations are provided. The Supplier's facilities are to be constructed and maintained in accordance with applicable law.
 - Employee education on the issue of risks within our supply chain and onboarding of new suppliers: Anti Slavery – Human Trafficking Training
 - Trained the Global Tea Management (GTM) team as they place the orders for tea. Several members of the tea buying team routinely visit the tea estates we purchase from and during those visit site observations are made with regard to employee and family conditions.
 - The training reinforces the high standards Harris Tea has with the procurement of teas. We have long-term relationships with our tea suppliers.
 - We work with established tea suppliers accepted in the tea industry; approved by government Tea Boards. Our supplier vetting process restricts options to only those suppliers with exceptional credentials and excellent reputations who meet our needs from both a compliance and sustainability standpoint. Quality & Compliance team reviews required supplier documents for acceptability and approval.
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HARRIS TEA COMPANY

- We are members of both Rainforest Alliance and Fair Trade. Most of our sourcing tea estates are certified Rainforest Alliance.
 - The Rainforest Alliance Certification standards focus on the following themes:
 - Forests: These ecological powerhouses are critical to the survival of every living thing on Earth. Our training and certification programs promote best practices for protecting standing forests, preventing the expansion of cropland into forests; fostering the health of trees, soils, and waterways; and protecting native forests.
 - Climate: Standing forests are a powerful natural climate solution. Our certification programs promote responsible land management methods that increase carbon storage while avoiding deforestation, which fuels greenhouse gas emissions. The climate-smart practices embedded in our agricultural training and certification programs help farmers to build resilience to droughts, flooding, and erosion.
 - Human Rights: Certification advances the rights of rural people. Although no certification program can provide a guarantee against human rights abuses, our standard and assurance systems provide robust strategies for assessing and addressing child labor, forced labor, poor working conditions, low wages, gender inequality, and the violation of Indigenous land rights. Independent studies demonstrate that workers on certified farms are more likely to have better working conditions, personal protective gear, and labor protection.
 - Livelihoods: Our approach is based on the understanding that ecosystem health and the economic stability of rural communities are mutually dependent. Improving sustainable livelihood opportunities for smallholder farmers and forest communities is the most effective way to lift rural people out of poverty, and certification has proven to bring measurable financial benefits to farmers and forest communities around the world.
 - Fair Trade Certified
 - Fair Trade Certified is how we achieve our mission. It's an award-winning, rigorous, and globally recognized sustainable sourcing certification program that improves livelihoods, protects the environment, and builds resilient, transparent supply chains.
 - When you see a product with the Fair Trade Certified label, you can be sure it meets rigorous social, environmental, and economic standards.
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HARRIS TEA COMPANY

Fair Trade Certified supports:

- Safe working conditions
- Environmental protection
- Sustainable livelihoods
- Community Development Funds

Risk Assessment

We rely on supplier compliance with the Code of Conduct along with site visits from our GTM team to mitigate risks in our supply chain. We directly import most of our tea, working only with importers when necessary. All Purchase Orders will include a compliance with our forced/child labor policies statement as a condition of doing business going forward.

- a) We work with established tea suppliers accepted in the tea industry; approved by government Tea Boards. Our vetting process restricts options to only those suppliers with exceptional credentials and excellent reputations who meet our needs from both a compliance and sustainability standpoint. Quality & Compliance team reviews required supplier documents for acceptability and approval.
- b) Risks are identified during our visits to supplier tea estates. Typically, we visit the estates 3-4 times annually assessing general compliance and providing insight into potential child labor concerns. These visits will be formally documented from May 2024 onwards. All tea suppliers complete the THESIS survey annually (for The Sustainability Consortium), see Appendix 2, which includes questions on child labor use, worker rights on farm, worker health and safety on farm.

Remediation

- If forced/child labor is identified within a company, we will follow the Harris Tea Modern Slavery Remediation Policy, see Appendix 3, and alert the appropriate agencies for assistance.
 - o Steps to be taken to protect victims are found in the Harris Tea Modern Slavery Remediation Policy

Training

- The Harris Tea Anti-Slavery training, see Appendix 4, covers the definition of slavery, along with examples of slavery today. We define Human Trafficking (including both sex trafficking and forced labor). We also review ingredient origins for the tea we purchase (specifically the worst offenders for tea as it's one of the top commodities linked to Human Trafficking).
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HARRIS TEA COMPANY

- Training is reviewed annually, and updated material is provided to the tea buying group as part of annual training.

Effectiveness Assessment

- Indicators
 - To date, any findings in our tea estate visits have been noted and addressed informally. Onward from May 2024, all estate visits will be documented. Any issues observed will be addressed during the visit and the resolution documented.
 - Four tea origins visited in 2023: India, Kenya, Vietnam, and Argentina: 20 estates.
 - Two herb origins visited in 2023: Turkey and Spain; 3 factories.
 - RFA purchased poundage increased 0.5% over the previous year.
 - RFA tea portion of overall tea portfolio increased by 4% over prior year.
- Training
 - 12 Harris employees were trained in 2024. Training will be conducted annually.
 - We have over 200 suppliers and they're all aware of our modern slavery prohibition. Remediation policy has broad guidelines and will be tailored to specific complaints.

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 financial year ending 12/31/2023. It has been issued on behalf of Harris Tea Company and approved by Harris Tea Company board of directors.

Signed,

Signature of a director

Chirayu Borooah

date

May 30, 2024