



Van Rees (North America) Inc.
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Fighting Against Forced Labour and Child Labour in Supply Chains Act and to Amend the Customs Tariff Report

Introduction

This report is made pursuant to 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. As required by the Act, this report summarizes the steps that we have taken in the financial year ended December 31, 2023, to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods or of goods imported into Canada by Van Rees (North America) Inc. This report outlines the approach and initiatives by Van Rees (North America) Inc. to identify and address the risks forced labour and child labour in its business operations and supply chains during the financial year from January 1, 2023, to December 31, 2023 (the "Reporting Period"). We are committed to respecting human rights and ensuring our supply chain is free from forced labour and child labour. The term "we," "our," "us" and "The company" as used in this document refer to Van Rees (North America) Inc.

Our company

Since 1819, Van Rees Group B.V. has been a market leader in tea based in the Netherlands. In the mid 1960's, Van Rees Group B.V. became part of the NV Deli Maatschappij group and remained in their ownership until mid 2010, when the company was acquired into the sole ownership of Acomo N.V., a Dutch trading house specialized in spices, nuts and food ingredients. Van Rees Group B.V. has 13 branch offices worldwide. Van Rees (North America) Inc. is a subsidiary of Van Rees Group B.V. located in Greater Toronto area with customers in North America, mainly in USA and Canada. We continue to strengthen and grow. This leading position has been built through enterprise, endeavour, resilience and the seamless passing of knowledge and skill from one generation to the next.

Our supply chains and business

Van Rees (North America) Inc. supply chains consist of over 28 active global third-party suppliers - tea and spice producers, farmers, and Van Rees group companies. We import teas and spices from 15 countries, Argentina, China, Egypt, Germany, India, Indonesia, Kenya, Malawi, The Netherlands, Taiwan, Turkey, Sri Lanka, UK, USA, Vietnam. Our suppliers play a key role in our ability to live up to our sustainability commitments and attain our environmental, social and governance (ESG) goals. The vast majority of our purchases are from large well-known tea farmers and producers who also have reporting obligations under the Act; who uphold our core values of Safety, Integrity, Respect, Inclusion and High Performance; adhere to key policies and procedures (including those outlined in this report); share our commitment to the highest standard of business conduct for the financial year ended December 31, 2023.



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We recognize that forced and child labour risks could exist in our supply chains, primary in India, Kenya, Malawi, Turkey, Vietnam using the Better Trade tool. We also use the U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor to inform our identification of related risks in our supply chains. We consider there to be a limited risk of forced and child labour occurring in our business. At Van Rees (North America) Inc., we believe acting ethically and responsibly is not only the right thing to do but also the right thing for our business. We source from suppliers who are on our Approved Supplier List. The approved supplier list is maintained in accordance with FSSC22000 V6.

Addressing forced and child labour in our supply chains and business

Code of business conduct

The first layer of our framework to prevent forced and child labour is our Code of Business Conduct. The Code of Business Conduct applies to all Acomo Group Reporting Entities. We are committed to conducting our business with honesty, integrity, respect and to complying with all applicable laws. We highly value our relationships with employees, customers, suppliers, and other partners. The Acomo Code of Conduct outlines our shared ethical standards for conducting business throughout the world. The standards and principles align with international frameworks and guidelines for sustainable business such as the OECD Guidelines for Multinational Enterprises and apply to all employees of the Acomo Group worldwide. We count on one another to act as stewards of the organization. Adherence to subjects in the Code of Conduct will be monitored and reported through “Whistleblower procedure” and “Speak up!” program. In 2023, we have strengthened our support for elimination of forced and child labour in supply chains.

Supplier code of conduct

Van Rees (North America) Inc. has strict controls in place and is certified to GFSI, Rain Forest Alliance, Fair Trade and Organic standards. To create value from crop to cup we work with our partners on increasing the volumes of certified tea such as Rainforest Alliance Certified™ teas, UTZ and Fairtrade. We recognize the importance of certification, however that is not our only goal. We aim to create real changes through practical initiatives and industry approach to make the world a better place to live.

Van Rees Group has developed a Global Supplier Code of Conduct (“Supplier Code”) to clarify our expectations for those whom we conduct business with. The Supplier Code includes paragraphs covering the requirement that suppliers not use forced and child labour, provide working hours and wages that meet local legal requirements, that their workplace be free of harassment, abuse, and unlawful discrimination, addresses business integrity, labour practices, workplace health and safety, and environmental management. We are committed to sourcing responsibly and consider all activities in our supply chains that lead to human rights abuses as unacceptable. We require that our suppliers accept the performance standards contained in the Supplier Code, with the expectation that the suppliers will comply with the requirements of the Supplier Code through their own operations and within their supply chains.



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Remediation

We did not identify any instances of forced labour or child labour in our supply chains during the Reporting Period and, therefore, no remedial measures were taken.

Training

As a global tea supplier, Van Rees Group has a responsibility to its own employees in offices all around the world. Van Rees Group is committed to the welfare of its global staff. Our group aims for the highest ethical and legal standards wherever we are present and actively supports good practice across the tea globe. We recruit our people through direct advertising and only use reputable recruitment agencies for permanent and temporary employees; we rarely use agency staff, but if there is occasion to do so we ensure that those assigned to us are vetted.

We are committed to ensuring that all our people receive fair remuneration for the job they perform. Our employment policies ensure that there are fair and transparent systems in place for staff to raise concerns and have access to a confidential whistleblowing process to assist them to speak up, should the need arise. All key staff are required to sign up for an internal 'code of ethics' before being employed.

Annex – Responsible Work environment in the Employee handbook covers the topics for

- Health and Safety
- No Forced and Child Labour
- No Harassment
- Equal Opportunity and Diversity.

Once per year the Employee Handbook is reviewed and handed over to all employees.

Assessing the effectiveness of our controls

The company's management team and quality assurance team are accountable for establishing, maintaining, and assessing its programs that aim to address risks in its supply chains. As part of our governance process, each year we assess the adequacy of our risk controls, including those presented by our supply chains. We plan to continue to review our statements, policies, procedures, and practices periodically to determine whether any enhancements should be made to reinforce our commitment to eliminating risk of forced and child labour in our business and in any of our supply chains.

Van Rees Group plans to conduct on-site audits of suppliers and their production/manufacturing site, and of the respective field or collection area; to conduct desk review and field visits to develop our understanding of the salient risks and causes throughout our supplier chains; to maintain a commitment to sourcing our products from certified source; to continue to assess and control risk presented in our suppliers to eliminate the modern slavery.



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Approval and attestation

This Report is approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Van Rees (North America) Inc. on May 1, 2024.

In my capacity as a Director of Van Rees (North America) Inc., and not in my personal capacity, I make this attestation for and on behalf of Van Rees (North America) Inc. in accordance with the requirements of the Modern Slavery Act.

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.

I have the authority to bind Van Rees (North America) Inc.

Widanalage Eranga Rajith De Mel

Director, President

May 1, 2024

Robin Lavooij

Director, Secretary

May 1, 2024