



---

## **Forced Labour and Child Labour Report**

### **Introduction**

This Forced Labour and Child Labour Report (this “Report”) is submitted by Village Farms International Inc. (“Village Farms International”) and our wholly owned subsidiary, Pure SunFarms Corp. (“Pure Sunfarms” and collectively with Village Farms International, referred to as “Village Farms” or the “Company”, “we” or “our”) for the financial year ending December 31, 2024 and is made in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2024, c.9 (Canada), also known as the Modern Slavery Act (the “Act”). This Report is not a revised version of a report already submitted this reporting year. This Report is a joint report which applies to, and describes the reasonable steps taken by, Village Farms to mitigate forced labour and child labour in our organization’s operations and supply chains.

### **About Village Farms**

Village Farms International leverages decades of experience in controlled environment agriculture as a large-scale, vertically-integrated supplier of high-value, high-growth plant-based consumer packaged goods. The Company built a strong foundation as the leading and longest-tenured fresh produce supplier to grocery and large-format retailers throughout the US and Canada, but now focuses its agricultural expertise on high-growth cannabinoid opportunities internationally.

In Canada, the Company’s wholly owned Canadian subsidiary, Pure Sunfarms, is one of the single largest cannabis operations in the world (2.2 million square feet of greenhouse production), the lowest-cost producer and one of Canada’s best-selling brands. The Company owns an additional 2.6 million square feet of greenhouse capacity in Canada for future expansion, and also owns 80% of Québec-based, Rose LifeScience Inc., a leader in the commercialization of cannabis products. The Company exports medical cannabis from its EU GMP certified facility in Canada to international markets including Germany, the United Kingdom, Israel, Australia, and New Zealand. In Europe, wholly owned Leli Holland B.V.<sup>1</sup> has one of 10 licenses to grow and distribute recreational cannabis within the Controlled Cannabis Supply Chain.

We also operate a large, well-established, produce business (primarily tomatoes) under the Village Farms Fresh (“VF Fresh”) brand which sells to food distribution companies and mass retail stores. We own and operate produce cultivation assets in Texas and Delta, B.C. and source produce from our growing partners, in Mexico and Canada. In the US, wholly-owned Balanced Health Botanicals, LLC is one of the leading CBD and hemp-derived brands and e-commerce platforms in the country, leveraging its Texas-based greenhouse assets which are comprised of approximately 2.2 million square feet of existing greenhouse capacity and 950 acres of owned, unoccupied land for future expansion.

---

<sup>1</sup> Renamed Village Farms International B.V. after the 2024 fiscal year.

VF Clean Energy Inc., through a partnership with Atlanta-based Terreva Renewables, creates renewable natural gas from landfill gas at its Delta RNG facility.

Village Farms International is listed on the NASDAQ under the ticker “VFF”.

### **Our Respect for Human Rights**

Village Farms fully supports the objectives of the Act and opposes the use of all forms of forced labour and child labour in our operations and our supply chain. Respect for human rights is fundamental to our values, the long-term stability and growth of our business and to the wellbeing of the communities in which we operate. As set out in the United Nations Guiding Principles on Business and Human Rights, business enterprises have a responsibility to respect internationally recognized human rights. The responsibility to respect human rights requires that business enterprises: (a) avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.

### **Steps Taken During 2024 Fiscal Year to Prevent and Reduce Risks of Forced Labour and Child Labour in our Supply Chains**

Village Farms is committed to operating ethically, following practices, policies and standards in compliance with the objectives of the Act and applicable labour and employment laws. As part of this commitment, we acknowledge the risk for forced labour in any supply chain and the importance of addressing forced labour and child labour within our supply chains and activities. This is why we developed a Supplier Code of Conduct to ensure that our business, operations and our Suppliers and Supplier Partners, are operating in an ethical and socially responsible way. Village Farms strives to ensure its own activities and the facilities which we operate in Canada and outside of Canada avoid any use of forced labour and child labour in any of our operations.

In 2024, Village Farms took the following steps to prevent and reduce the risk of forced labour or child labour in our supply chains and operations:

- Conducted an internal assessment of risks of forced labour and/or child labour in the organization’s activities and supply chains,
- Followed due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization’s activities and supply chains,
- Required suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains,
- Developing and implementing anti-forced labour and/or -child labour contractual clauses, when applicable
- Continued to operate our business in accordance with anti-forced labour and/or -child labour standards and our Supplier Code of Conduct, Code of Ethics and Whistleblower Policy our Equal Employment Opportunity Policy, and
- Provided training and materials to certain employees on forced labour and/or child labour risks in our supply chain.

### **Corporate Structure, Activities and Supply Chains**

Village Farms International is a corporation existing under the *Business Corporations Act* (Ontario). The Company’s principal operating subsidiaries are Village Farms Canada Limited Partnership (“VFCLP”), Pure Sunfarms, which is a corporation existing under the *Business Corporations Act* (B.C.), Balanced Health Botanicals, LLC (“Balanced Health”), Rose LifeScience Inc. (“Rose LifeScience”), VF Clean Energy, Inc. (“VFCE”), and Leli Holland B. V. (“Leli Holland”).<sup>2</sup> Only Village Farms International and Pure Sunfarms are reporting entities under the Act.

---

<sup>2</sup> Renamed Village Farms International B.V. after the 2024 fiscal year.

Our business is divided into five primary operating segments:

***Canadian Cannabis Segment*** - Our Canadian Cannabis segment includes wholly owned Pure Sunfarms and an 80% ownership interest in Rose LifeScience. Canadian Cannabis segment has approximately 350 employees.

In September 2021, our Canadian Cannabis business began exporting cannabis products to Australia for that country's medical market. In March 2022, our Canadian Cannabis business received European Union Good Manufacturing Practice ("EU GMP") certification for Pure Sunfarms' 1.1 million square foot Delta 3 cannabis facility located in Delta, British Columbia which permits Pure Sunfarms to export EU GMP-certified medical cannabis to importers and distributors in international markets that require EU GMP certification. In late 2022, Pure Sunfarms commenced exports to Israel, in 2023 Pure Sunfarms began exporting cannabis products to Germany and the United Kingdom for the medical markets in those countries, and in 2025 it began exporting cannabis products to New Zealand.

The majority of the suppliers to our Canadian Cannabis segment are domiciled in Canada and the US. Our Canadian Cannabis segment imports the following goods into Canada: packaging materials, accessories, cultivation and processing equipment, and construction material.

***Netherlands Cannabis Segment*** - Our Netherlands Cannabis segment is comprised of wholly owned subsidiary, Leli Holland. Through Leli Holland, we hold one of ten licenses to cultivate and distribute recreational cannabis legally in the Netherlands under that country's Closed Supply Chain Experiment program, with sales commencing in February 2025. Our Netherlands Cannabis segment has approximately 25 employees. The majority of the suppliers to our Netherlands Cannabis segment are domiciled in the EU.

***U.S. Cannabis Segment*** - Our U.S. Cannabis segment includes wholly owned subsidiary, Balanced Health. Balanced Health is one of the leading cannabinoid brands and e-commerce platforms in the United States. Balanced Health develops and sells high-quality CBD and hemp-based health and wellness products, distributing its diverse portfolio of consumer products through its top-ranked e-commerce platform, CBDistillery™. Our U.S. Cannabis segment has approximately 50 employees. The majority of the suppliers to our U.S. Cannabis segment are domiciled in the United States.

***Produce Segment*** - Our Produce segment is composed of VF Fresh, which currently consists of VFLP and VFCLP. Through VF Fresh, we grow, market and distribute premium-quality, greenhouse-grown produce in North America. These premium products are grown in sophisticated, highly intensive agricultural greenhouse facilities located in British Columbia and Texas. We also market and distribute premium tomatoes, peppers and cucumbers produced under exclusive and non-exclusive arrangements from our greenhouse supply partners located in Mexico, B.C. and Ontario. We primarily market and distribute under our Village Farms® brand name to retail supermarkets and dedicated fresh food distribution companies throughout the United States and Canada. Our Produce segment has approximately 90 employees. The majority of the suppliers to our Produce segment are domiciled in Canada and the U.S. Our Produce segment imports the following goods into Canada: cultivation and processing materials.

***Clean Energy Segment*** - Our Clean Energy segment is comprised of wholly owned subsidiary, VFCE, which has partnered with Terreva Renewables (formerly Mas Energy) for the Delta RNG Project based on VFCE's 20-year contract with the City of Vancouver to capture landfill gas at the Delta, B.C. landfill site (the "Delta RNG Project"). The Delta RNG Project, which commenced operations in 2024, converts VFCE's landfill gas into high-demand renewable natural gas ("RNG") through a state-of-the-art facility. Terreva Renewables sells the renewable natural gas and VFCE receives a portion of the revenue in the form of a royalty.

### **Policies and Due Diligence Processes in relation to forced labour and child labour**

We have adopted internal policies to promote and ensure compliance with applicable laws including in respect of our suppliers, employment, occupational health and safety and human rights in the jurisdictions in which we operate our business.

#### ***Supplier Due Diligence***

Our commitment to human rights is further set out in our Supplier Code of Conduct (“Supplier Code”), which requires our suppliers to operate in an ethical and socially responsible way with a commitment to sustainable business practices, recognizing the United Nations Global Compact (UNGC) and the UNGC’s ten fundamental principles on human rights, labour, environment, and anti-corruption. The Supplier Code applies to all suppliers (“Suppliers”) of Village Farms, which include, but are not limited to, product and services suppliers, consultants, agents and representatives. The Supplier Code also applies to all companies involved in each Supplier’s supply chain (“Supplier Partners”). Suppliers and Supplier Partners are required to adhere to these requirements and to take reasonable measures to monitor the compliance of their supply chains so long as the Supplier does business with Village Farms.

Our Supplier Code requires that our Suppliers and Supplier Partners must:

- Act in accordance with all applicable laws and regulations in the jurisdictions in which they operate and are expected to conduct their business with integrity and in an ethical manner, ensuring fair, respectful, and dignified treatment of all employees at all times.
- Respect human rights, in accordance with the *International Labour Organization (ILO) Core Labour Standards and Declaration on Fundamental Principles & Rights at Work* including, with respect to:
  - the elimination of discrimination in respect of employment and occupation,
  - the effective abolition of child labour,
  - the elimination of all forms of forced or compulsory labour or human trafficking, and
  - respecting employees’ rights for freedom of association and the effective recognition of the right to collective bargaining.
- Provide a safe and healthy working environment, and comply with all local laws and mandatory industry standards, integrating these into operations, and striving for continuous improvement in health and safety management systems.
- Act with integrity, adhere to all applicable anti-corruption and anti-bribery laws, and must not engage, directly or indirectly in fraud, kickbacks, money laundering, bribery, embezzlement, extortion or any other forms of corruption.
- Source minerals in an ethically responsible manner and conduct due diligence with their supply chains to restrict the use of minerals sourced from conflict-affected areas.

We require our Suppliers to execute an acknowledgement of the Supplier Code to confirm their compliance with our standards on human rights, labour, environment, and anti-corruption. In addition, we conduct additional Supplier due diligence on certain key Suppliers, including through site visits, reviewing of site certifications, and reviewing and confirming vendor qualifications. Under our Supplier Code, we reserve the right to conduct audits at the Suppliers site, providing a 72-hour notice period to facilitate preparation and coordination.

#### *Code of Ethics and Whistleblower Policy*

We have adopted a *Code of Ethics and Whistleblower Policy* (the “Code”) which applies to Village Farms and its subsidiaries and that governs all employees, contractors, officers and members of the Board of Directors and requires all such persons to engage in legally and ethically correct conduct to maintain and promote Village Farm’s commitment to honesty and integrity.

The Code includes requirements to:

- commit to strict compliance with all Village Farms’ policies on ethical and lawful business conduct;
- commit to the prevention of workplace discrimination and harassment;
- commit to a drug and alcohol free workplace;
- commit to ensuring the health and safety of all employees, officers and directors;
- commit to protecting the environment in all areas of the Village Farm’s operation,
- avoid conflicts of interest and unlawful payments; and

- establish and maintain reporting (whistleblowing) procedures.

The Code specifically directs employees, directors, officers and contractors to contact managers or appropriate personnel to report violations of applicable laws, including any laws, rules, statutes or policies applicable to Village Farms and all subsidiaries as a whole, harassment or other inappropriate work-related conduct, or conduct that is illegal or unethical observed in operations.

#### *Equal Employment Opportunities and Employee Onboarding*

We employ industry standards during the recruitment process for new employees to ensure that we hire employees in accordance with applicable laws. We have adopted an Equal Employment Opportunity Policy (the “Employment Policy”) which contains our commit to promote diversity in the workplace, to respect diversity when making hiring decisions and to be an equal opportunity employer that does not discriminate in our hiring practices. When onboarding new employees, we request certain information from each new employee to confirm their eligibility to work in Canada.

#### **Risk Assessment and Management**

During the 2024 fiscal year, Village Farms had not formally assessed or identified which parts of its supply chain may carry a risk of forced labour or child labour, other than as set forth below. However, Village Farms acknowledges that no complex supply chain is risk free and it has identified the industries and sectors which support its operations that may carry a risk of forced labour and child labour, although further assessment of our own supply chain is required. As a result, compliance with our Supplier Code is crucial in our Supplier selection Process.

Village Farms has identified a potential risk in our supply chain as a result of our use of contracted labour at our facilities in Canada. Village Farms contracts with third-party staffing agencies to provide outside labour to perform crop work (such as taking cuttings, pruning, and plant maintenance, among other tasks) at our facilities. To minimize this risk, our contracts with such third party staffing agencies require the staffing agency to ensure that (i) all contract staff members are at least 19 years of age, (ii) are eligible to lawfully work and perform the services in Canada, and that (iii) all contract staff members have successfully completed a criminal record check that establishes that they do not have any criminal conviction or outstanding criminal charges. In addition, the contracts require such third-party staffing agency to provide us with either a work permit or social insurance number to establish that such contract staff member is eligible to lawfully work and perform the services in Canada.

In addition, Village Farms has identified the following risks of forced labour or child labour in our supply chains generally:

- a risk based on the location of our growing partners in Mexico; and
- 
- a risk where raw materials are procured by our suppliers for use in their supply chain where limited information is available to us regarding the source of such raw materials.

#### **Forced Labour and Child Labour Remediation Measures**

In the 2024 fiscal year, Village Farms was not aware of any occurrences of forced labour or child labour practices occurring within our supply chain and activities. Accordingly, we did not take any measures to remediate any adverse impacts of forced labour or child labour.

#### **Loss of Income - Remediation Measures**

In the 2024 fiscal year, Village Farms was not aware of any occurrences of forced labour or child labour practices occurring within our supply chain and activities, and as a result no measures were taken to eliminate the use of forced labour or child labour. Accordingly, we did not take any action to remediate any loss of income to families that potentially could have resulted from any measure taken to eliminate the use of forced labour or child labour in Village Farms’s activities and supply chains.

### **Training provided to Employees**

In the 2024 fiscal year, we provided formal training employees in procurement and finance on forced labour and child labour. We also provide training on force labour and child labour as part of our employee onboarding.

### **Assessing Effectiveness in Ensuring Forced Labour and Child Labour are Not Used in our Activities or Supply Chains**

As of the date of this report, Village Farms does not have any policies or processes in place to measure and track its success in preventing and reducing the risk of forced labour and child labour in its activities and supply chains.

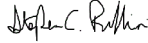
### **Forward Looking Information**

This report contains forward looking information concerning the Company’s business and affairs. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “intends”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. These forward-looking statements are based on current expectations and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially due to any number of factors. Uncertainties and risks may cause our actual results to be materially different than those expressed in or implied by our forward-looking statements. For us, particular uncertainties and risks include those described in our filings with the SEC, including under “Risk Factors” in our Annual Report. A copy of this document can be found by accessing the SEC’s EDGAR filing database at [www.sec.gov](http://www.sec.gov) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Although the Company believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Any such forward-looking statements are expressly qualified in their entirety by this cautionary statement. Forward-looking information is provided as of the date of this Report and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required under applicable securities legislation.

### **Approval of Report and Attestation**

This Report has been approved by the Board of Directors of Village Farms International Inc. in accordance with Section 11(4)(b)(ii) of the 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 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.

DocuSigned by:  
  
Per: \_\_\_\_\_  
2FA89A23F8B6434...  
Name: Stephen C. Ruffini  
Title: CFO  
Date: March 20, 2026

*I have the authority to bind Village Farms International Inc.*