



Van Osch Farms Limited

Forced Labour and Child Labour in Supply Chains Company
Assessment



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Executive Summary

Forced labour can be found in every country and every sector. The International Labour Organization estimates that there are approximately 27.6 million victims of forced labour worldwide, including 17.3 million in the private economy. Forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour. Entity and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains.

The measures introduced through former Bill S-211, a bill to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff Act (the Act), aim to increase industry awareness and transparency and drive businesses to improve practices. There are eight mandatory reporting areas that must be investigated and reported on which include:

- The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.
- Its structure, activities, and supply chains.
- Its policies and due diligence processes in relation to forced labour and child labour.
- The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.
- Any measures taken to remediate any forced labour or child labour.
- Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.
- The training provided to employees on forced labour and child labour.
- How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.



Introduction

This report is Van Osch Farms Ltd. (“Van Osch”) response 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 (“the Act”), sections 11(1) and 11(3).

Van Osch satisfies the definition of an Entity within the Act by having a place of business in Canada, doing business in Canada, having assets in Canada and meeting both the revenue and asset thresholds.

The financial reporting year of Van Osch covered by this report is for the year ending October 31, 2024.

Structure, Activities & Supply Chain

Van Osch operates as a corporation (Business Number 105492201) in Ontario, Canada. Van Osch operates within the agriculture industry, feeding cattle until they meet the size specifications for sale. Once size specifications are met, Van Osch mainly distributes the cattle to slaughterhouses and meat markets within Canada. Where cattle exceed size specifications of Canadian slaughterhouses, these cattle are sold within US markets. This makes up a small proportion of total cattle sold.

Van Osch also operates a feed yard in Canada for raising cattle until size specifications are met for slaughtering and / or being put into meat markets. The company also ensures that animal welfare is kept top priority by monitoring feed and water intake, and ensuring veterinary assistance is given when appropriate.

Van Osch grows, purchases, sells, and distributes crops to be used in feeding livestock or to resell in the commodity markets within Canada. These crops include corn, soybeans, wheat, and edible beans.

Van Osch procures cattle directly from suppliers in Canada and the United States. Cattle purchases account for roughly three quarters of the total procurement spend.

Once meat has been prepared by slaughterhouses, the Entity sells a portion of these goods online, direct to customers. The Entity only sells the meat which originated from Entity-owned cattle. Sales are to customers within Canada.

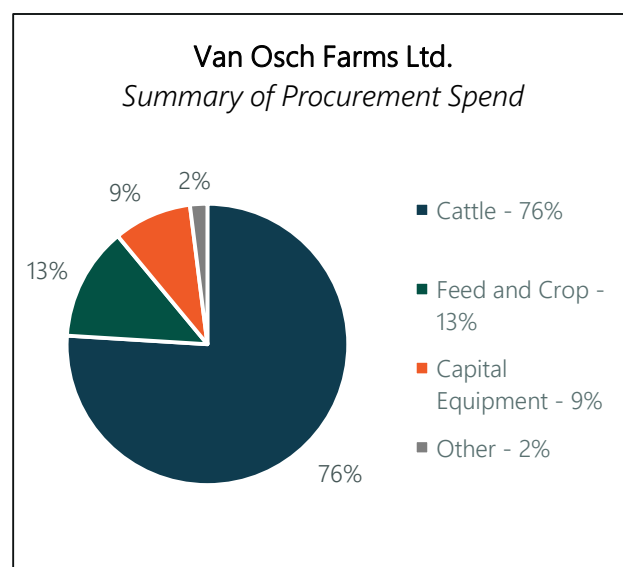


Figure 1: Summary of Procurement Spend

Feed yard procurement includes the provision of feed, veterinary supplies, and care for the animals. The company’s feed yard needs are met through Canadian and United States suppliers. Distillers grain, a byproduct of local ethanol distilleries, is also used for cattle feed. Van Osch’s feed purchases account for roughly one-fifth of the company’s total procurement spend, excluding purchases related to homegrown



feed. Veterinary supplies for cattle are purchased from a local veterinarian.

Van Osch purchases miscellaneous products from local suppliers, this accounts for a small proportion of goods.

See Figure 1 for a breakdown of procurement spend across all activities, during the fiscal year.

Van Osch is also certified with Canadian Roundtable for Sustainable Beef (CRSB) and received the Ontario Environment Award for 2024. The CRSB mission is improve the sustainability of the Canadian beef industry through economic, social, economical, and community strategies. The CRSB states the intent of the community-based strategies is, "human rights are respected and protected through healthy and safe work environments". Van Osch, through their employee handbook and workplace policies, has demonstrated their commitment to healthy and safe work environments and that employees and stakeholders have the freedom to voice concerns confidentially and without fear of repercussions. The CRSB certification also demonstrates Van Osch's commitment to remediation of health and safety concerns and accommodations to ensure a safe working environment. Obtaining this certification and winning the award reflects Van Osch's commitment to sustainability and operating responsibility.

Policies & Due Diligence

Current Policies & Procedures

Van Osch has the following policies and due diligence procedures in place to mitigate the risk of child labour and forced labour within internal activities and their supply chain.

Internal Policies

Employee Handbook

When a new employee is hired, Van Osch conducts an onboarding process that involves reviewing the Employee Handbook. This document has aspects related to forced labour and or child labour through the Code of Conduct, Non-Discrimination Policy, Human Rights, Workplace Violence & Harassment Policy.

The Employee Handbook explicitly states as a policy that Van Osch is committed to providing an environment free of harassment, bullying, violence, and discrimination. All individuals are to be treated with respect, dignity, and have access to equal opportunities. Incidences are to be reported to the Health and Safety Representative and will be kept confidential and follow the outlined investigation process. The Handbook explicitly states that discriminatory conduct and behavior is unacceptable and could result in disciplinary action including termination of employment.

Timekeeping and working conditions are specified within the Handbook, identifying working hours, holidays, overtime and leave, as well as the importance of adhering to schedules and start times.

Though forced labour and/or child labour are not explicitly stated within the Employee Handbook, aspects and clauses of the document speak directly to the treatment and behaviour of employees and rights to refuse work.

To reflect acknowledgment and agreement, employees are required to sign off on the Employee



Handbook at the time of onboarding.

Whistleblower Policy

Van Osch has established a framework for employees and stakeholders to report unethical behaviour, fraud, or violations of laws and regulations within Van Osch without fear of retaliation. Employees and stakeholders may report concerns through direct reporting, submission of a written report to Human Resources, or through an anonymous reporting hotline. Van Osch is committed to maintaining confidentiality of the reports, assessing the validity of the claims, and applying fair consequences to individuals who have violated company policy or relevant laws and regulations.

Employee Review & Feedback

Van Osch has developed a 360°-review process to assess employee performance and gather feedback on the business. The review process includes interviews with employees to provide them with feedback on their performance, as well as allowing each employee the chance to provide suggestions on how the business can improve. In addition, the interview also covers the encouraged behaviours of employees while reviewing the behaviours that are prohibited by the Entity.

Due Diligence Processes

Onboarding Process

The New Employee Hiring Process includes interviewing potential employees for hiring and requires (reviews) government-issued identification ("ID") to verify identity and birthdate of the applicant and retains this information in the employee file. The new worker orientation checklist lists multiple training courses that are required to have been completed and certified prior to employment and the new worker orientation checklist will be reviewed as part of the onboarding process.

Where employees are hired, Van Osch requires an employment contract to be signed by the individual. This contract states that policies and procedures will be adhered to throughout the duration of their employment. The contract also states the individuals' rights and responsibilities, compensation, and vacation policy.

Supplier Process

When selecting suppliers to engage with, Van Osch considers community reputation, past performance, commodity pricing, and the likelihood of delivery. The company will approve, monitor, and oversee supplier performance; although, there is no formal policy to guide buyers on how they buy.

Risk Assessment

A risk assessment over Van Osch's industry of operation, goods procured, and the countries goods are procured from has been performed over material direct suppliers. The risk assessment used two separate indices to conclude on inherent risk of child and / or forced labour related to goods and countries – *Walk Free's Global Slavery Index* and the *US Department of Labor's List of Goods Procured by Child Labor or Forced Labor*.

Industry of Operation

Van Osch operates within the agriculture industry. Given the two indices noted above have identified risks



of child labour and forced labour inherent to agricultural products, it is concluded that this industry has an inherent risk exposure.

Goods Procured

Van Osch procures agriculture products. A risk assessment over the goods procured from suppliers has been conducted and identified an initial inherent risk of forced and / or child labour within the following categories: cattle, corn, and wheat. All other remaining goods were not included in either of the indices, therefore, Van Osch concludes that these remaining goods have a low inherent risk of child labour or forced labour.

Countries Which Goods Are Procured From

For the purposes of a risk assessment over countries goods are procured from, this report focuses on direct suppliers only. Van Osch procures goods from suppliers within Canada and the United States. Both indices have identified these countries as having a low inherent risk to the use of child and / or forced labour.

Remediation of Forced & Child Labour

To reduce the risk of child labour or forced labour within Van Osch's activities and supply chain, Van Osch will continue to have conversations and engage with suppliers on the subject. Van Osch has identified the opportunity to implement and enhance policies and due diligence mechanisms to reduce the risk of child labour and forced labour within their activities and supply chain.

Remediation of Vulnerable Family Income Loss

To date, there have been no instances identified by Van Osch of forced labour or child labour within their activities or supply chains. Therefore, Van Osch has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in their activities or supply chains.

Awareness Training

Van Osch does not have training in place on the topic of child labour or forced labour. However, of the policies identified above relevant to this Act, Van Osch does incorporate training for new employees of the Employee Handbook. This document has aspects related to forced labour and/or child labour through non-discrimination policy, human rights, and workplace violence & harassment policy. This training is mandatory and is reviewed with employees annually to ensure the staff maintain awareness of, and comply with the policies included in the handbook

Van Osch is exploring opportunities to provide training to all employees in identifying, assessing, and responding to risks of child labour and forced labour within the activities and supply chains of the company.



Assessing Effectiveness

To track Van Osch's effectiveness of procedures to mitigate the risk of child labour and forced labour, the following mechanisms are in place:

1. Policy review: Van Osch reviews relevant policies to this Act on a frequent basis to ensure relevance and updates are made where required.
2. Total harassment incidents: Van Osch has a zero-tolerance for workplace harassment. All claims made regarding harassment will be reported to management and promptly investigated. And pursued, noting consequences up to and including termination of employment.
3. Conduct and behavior incidents: Van Osch has a zero-tolerance for inappropriate conduct and behaviour. All claims made regarding this will be reported to management, including an action plan to resolve the issue in a timely manner.
4. Employee training: Van Osch provides in-person training to employees and tracks attendance metrics to ensure the completeness of mandatory training.

Steps Taken by Entity

Van Osch has taken the following steps to prevent and reduce the risk of child labour or forced labour:

1. Mapping supply chains: As part of this report, the Entity has mapped their supply chains to complete a risk assessment to align with the Act.
2. Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains: As part of this report, Van Osch has identified risks within its activities and supply chains that have inherent risks of child labour and/or forced labour.
3. Developing and implementing 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: See policies and due diligence processes section – both Entity have identified processes in place.
4. Developing and implementing training and awareness materials on forced labour and/or child labour: Both Entity have identified the opportunity to implement training content related to this Act for employees.
5. Developing and implementing procedures to track effectiveness in addressing forced labour and/or child labour: Both Entity have identified methods of assessing effectiveness in addressing forced and/or child labour within internal activities.



Attestation

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.

Fred Van Osch

Full Name

[Handwritten Signature]

Signature

Secretary Treasurer

Title

May 27/25

Date

I have the authority to bind Van Osch Farms Limited and this report covers financial year 2024.