



CIRANDA

Corporate Commitment

**Fighting Against Force Labor and Child Labor in
Canadian Supply Chains Report**

Prepared for financial reporting year ending September 30, 2024

Purpose

This statement is made in relation to Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 (the “Act”). Ciranda’s understanding of forced labor and child labor is based on the definitions given in the Act. Ciranda has zero tolerance to any form of child labor, forced labor, modern slavery, or human trafficking. We are committed to always acting ethically and with integrity and transparency in our business dealings. This statement sets out Ciranda’s approach to safeguard against forced and child labor in our business operations and supply chain.

Our Business

Ciranda, Inc. supplies business in the natural products industry with high quality certified organic, non-GMO and fair trade ingredients. As an employee-owned company, Ciranda has designated a Board of Directors to oversee the ESOP and monitor long-term value creation. The Board of Directors has designated a CEO-led Senior Leadership Team who directs the operations of the organization. Ciranda employs approximately 60 people, most operating from their central headquarters location in Hudson, Wisconsin and a small percentage operating from remote home offices across the United States.

Ciranda procures and imports product from organic growers and processors around the world, importing from over 20 countries. Every supplier Ciranda partners with goes through a comprehensive qualification process to survey product quality, as well as to survey working conditions, fair labor practices and the overall environmental health of the project. Once qualified, Ciranda will move the product from the global supplier’s location to our contracted warehouses to fulfill orders for customers across the United States and Canada.

Ciranda operates with sustainability and fair trade in mind. Ciranda has been a SEDEX member since 2021 and is working with the Sedex Members Ethical Trade Audit (SMETA) in order to better understand and monitor standards of labor, health and safety, environmental performance and ethics through our supply chain.



CIRANDA Policy and Protections

Ciranda's principles of human rights are described in Ciranda's Code of Ethics and in our Supplier Code of Conduct. Within these documents, Ciranda has specified key principles as the basis of our conduct and our expectations to business partners worldwide.

Code of Ethics

Per Ciranda's Code of Ethics, our corporate commitment is to respecting and promoting human rights to ensure that we play a positive role across the globe. We advocate for the rule of law, including consideration of international law and norms. Our commitment is guided by the principles set forth in laws of the United States governing human rights, as well as in the following international documents:

- Universal Declaration of Human Rights
- International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work
- United Nations (UN) Guiding Principles on Business and Human Rights

Supplier Code of Conduct

Within our supply chain, Ciranda seeks to work with partners who share the philosophy of our Supplier Code of Conduct and who demonstrate a commitment to fulfill the expectations to improve social and environmental conditions at their facilities. All standards as they relate to the prevention of child and forced labor are defined in the Supplier Code of Conduct. All supplier partners of Ciranda are required to review and acknowledge the Code of Conduct. The Code is based on and reflects values from:

- ILO Standards
- Ethical Trade Initiative (ETI)
- SEDEX Guidelines
- SMETA Audits



Due Diligence Processes

Our Business

Every employee owner and member of Ciranda's Board of Directors is asked to review and acknowledge our Code of Ethics, including our commitment to promote human rights. Additionally, Ciranda has voluntarily completed and passed a SMETA audit in April 2024, evaluating our labor, health and safety and environmental standards.

Ciranda has appointed its Senior Leadership Team responsibility for enforcing the commitments within our Code of Ethics. Any person becoming aware of an existing or potential breach of the Code is required to report the violation. Breaches may be reported via Ciranda's anonymous Food Safety & Compliance Reporting Form. Upon receipt of any reports, the Senior Leadership Team will take appropriate action to investigate and, upon determination of a breach, conduct appropriate disciplinary or preventative action.

Our Suppliers

In addition to reviewing and acknowledging Ciranda's Supplier Code of Conduct at least every three years, about 83% of Ciranda's primary supplier relationships are SMETA certified. Ciranda is targeting 95% of our primary suppliers be SMETA certified by 2025. Those that are not SMETA certified currently are classified EcoVadis platinum level. The EcoVadis methodology measures the supplier's sustainability management system, including through labor and human rights criteria. The EcoVadis platinum level indicates that the supplier ranks in the top 1% of companies assessed.

Assessing and Managing Risk

Given that Ciranda's workforce is comprised of United States based administrative and sales professionals, we consider there is low risk of forced or child labor in our operations. In addition, all of Ciranda's workforce is employed directly and not through subcontractors.

As Ciranda procures product from a broad range of international suppliers, we acknowledge a risk that forced and/or child labor may be used in our extended supply chain. We understand the importance of risk mitigation and relationship management through the procurement process. We adopt a multi-channel approach to managing risks within our supply chain.

As previously mentioned, suppliers are asked to review and acknowledge Ciranda's Supplier Code of Conduct on a regular basis. Through this, suppliers certify that they are using only consensual labor and that they understand use of involuntary labor is prohibited. Additionally, they acknowledge that the use of child labor is prohibited.

Furthermore, through the aforementioned SMETA or EcoVadis assessments, suppliers are audited in terms of social and labor conditions present at their facilities, as well as the effectiveness of social management programs, including those focused on forced and child labor.

To date, Ciranda has not identified any forced labor or child labor within its own business or its supply chain. This is validated through the receipt of SMETA certification. Therefore, we have not been forced to take any remedial measures. Ciranda regularly deploys its Code of Ethics for review by employees and the members of the Board of Directors, affirming our commitment to human rights.

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity specified within. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this joint report is true, accurate and complete in all material respects, for the purposes of the Act, for the reporting year listed above.

I make the above attestation in my capacity as CEO of Ciranda and as a Director of Ciranda's Board of Directors. I certify that I have the authority to bind Ciranda in this attestation.

Douglas R Audette

Doug Audette

Director and Chief Executive Officer

5-7-2024

Date Signed

