

Annual Report For Fiscal Year 2023 Pursuant to the
Fighting Against Forced Labour and Child Labour in Supply Chains Act

Introduction

Hain-Celestial Canada, ULC.¹ (“Hain-Celestial Canada,” “company,” “we,” “us,” “our”) is committed to preventing the occurrence of forced labor and child labor in our operations and supply chains. We do not tolerate child labor, forced labor or any other form of involuntary labor or slavery and we expect that our suppliers share our commitment to ethical and responsible business practices and support our values.

This report has been prepared pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and outlines the actions we took during the 2023 financial year (July 1, 2022 – June 30, 2023).

Business Structure, Activities, and Supply Chain

Hain-Celestial Canada, located at #410-180 Attwell Drive, Toronto, Ontario is a manufacturer, marketer, and seller of better-for-you brands that inspire healthier living with approximately 250 employees. We are committed to acting responsibly while continuing to implement environmentally sound and ethical business practices and manufacturing processes. We sell products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug and convenience stores.

The brands we sell in Canada include Yves Veggie Cuisine® refrigerated and frozen meat-alternative snacks and meals, vegetables and lentils, Earth’s Best® baby/kids food, MaraNatha® nut butters, Spectrum® oils, Imagine® soups, The Greek Gods® yogurt and Robertson’s® marmalades. Other food brands include Celestial Seasonings® teas, Terra® chips and Garden Veggie™ and Sensible Portions® snack products. Our personal care brands include Alba Botanica®, Avalon Organics®, JASON®, and Live Clean®. We manufacture certain of the foregoing products in Canada, and other products are acquired from our parent company, The Hain Celestial Group, Inc., or other affiliated entities.

Our supply chain includes suppliers of finished goods and services that contribute to the production of goods produced, sold, distributed and imported by Hain-Celestial Canada, from sourcing the raw materials to the final product. At least 90% of our suppliers, responsible for providing raw materials, finished goods, and packaging used in products sold by Hain-Celestial Canada, are based in North America.

We do not knowingly use forced labor or child labor in any of our operations, nor do we knowingly accept goods or services from third parties that employ force labor or child labor.

Steps Taken to Prevent and Reduce Risks of Forced Labour and Child Labour

Our approach to prevent and reduce the risk of forced labor and child labor in our supply chain is multifaceted.

First, we engaged with key suppliers to ensure they were in compliance with our Supplier Code of Conduct. These suppliers were asked questions regarding human rights and labor policies. In addition to answering the questions, we requested supporting documentation.

Our Supplier Code of Conduct requires suppliers to adhere to the minimum employment legal age limit defined by national law or regulation, and comply with relevant International Labor Organization (ILO) standards. In no instance, shall our suppliers permit children to perform work which exposes

¹ Hain-Celestial Canada, ULC. is an indirect wholly owned subsidiary of The Hain Celestial Group, Inc.

them to undue physical risks that can cause physical, mental, or emotional harm or improperly interfere with their schooling (except as may be permitted under apprenticeship or similar programs in which the minor is lawfully participating). Additionally, the Supplier Code explicitly prohibits abuse, slavery, servitude, forced labor, human trafficking and exploitation in our own businesses and our supply chains. The ability of workers to move freely shall not be restricted by suppliers through abuse, threats and practices such as retention of passports, identity papers, or valuable possessions in an unlawful manner and without their consent. The Supplier Code also states that workers shall work freely, aware of the terms and conditions of their work in advance and must be able to voluntarily end their employment without any restriction or substantial fine for terminating their employment. Lastly, workers may not be required to pay fees and costs associated with their recruitment.

In addition to embedding responsible business conduct into our Supplier Code of Conduct, we also took steps to enhance our due diligence program by evaluating technology enabled systems to support our ability to identify, address, and prohibit the use of involuntary, forced and/or child labor in our activities and supply chain. At the end of financial year 2023, we selected a tool that will enable direct communication with suppliers and other third-party partners using targeted questionnaires which, in part, will address forced and child labor directly.

We have third-party certifications for certain products and ingredients, including Kosher, Gluten Free, Fair Trade, and Organic. These certifications often include audits, which also played a role ensuring our owned facilities and co-manufacturers were not employing any form of involuntary, forced, or child labor. A majority of our on-site audits occur at least annually and we have never received a report of actual or suspected use of forced or child labor. We also relied on the certifications of our ingredient suppliers. Independent verification of a certification such as Fair Trade involves labor rights scrutiny. In the case of Fair Trade, for example, if any stakeholder notices a violation of labor laws and makes an allegation or auditors observe any major unacceptable labor practices, Fair Trade will conduct a deeper investigation into the issue. In turn, the auditor such as Fair Trade would notify our company.

Lastly, our Ethics and Reporting Portal served as a vital tool in preventing and reducing the risk of forced or child labor. The Portal provides an avenue for our employees or third parties to report any suspicious activity or instances of actual or suspected involuntary, forced or child labor they encounter within our supply chain. The Portal allows for anonymity and protection from retaliation which helps encourage our employees, suppliers, and other stakeholders to come forward with information without fear of repercussions. Any report made through our Portal enables us to investigate allegations promptly and take appropriate action to address the issue. Furthermore, the existence of our Portal sends a clear message that involuntary, forced and child labor are not tolerated and underscores our commitment to ethical practices.

Policies and Due Diligence

In addition to the Supplier Code of Conduct, Ethics and Reporting Portal, third-party audits, and the recently enhanced third-party due diligence program, we also embed responsible business conduct in our policies on ethical behavior, and our Impact (previously Environment, Social, Governance) initiatives.

Forced and child labor prohibition is articulated in our Global Code of Conduct. Our Code of Conduct stands as testament to our commitment to ethics, incorporating the following policies into our framework: Global Child Labor, Anti-Slavery, and Human Trafficking policy; our Global Human Rights Statement; and our Modern Slavery statements. By integrating these policies, we continue to foster an environment of conscientious business practices.

These policies and our tool for due diligence are also integral components of our Impact Initiatives. First by ensuring there's no forced labor or child labor in our supply chain, we contributed to environmental sustainability indirectly. Often, forced labor practices lead to environmental

degradation. For instance, in industries like agriculture, where child labor or forced labor is prevalent, unsustainable practices like deforestation, soil degradation, and water pollution are more likely to occur. Therefore, prohibiting these labor practices continues to align with our Impact goals.

Prohibiting forced labor and child labor was also a fundamental aspect of promoting social responsibility. By upholding human rights standards we demonstrated a commitment to treating workers fairly and ethically. This fostered a positive social impact both within our company and across our supply chain, in turn enhancing our reputation and trust among our stakeholders. Moreover, eradicating these labor practices contributes to broader social development goals, such as promoting education and economic empowerment in communities affected by child labor.

These policies also helped demonstrate our commitment to strong and transparent governance. They reflected our commitment to compliance with legal regulations and international standards, as well as our ability to manage risks effectively. Effective governance also ensured our operations align with our purpose, mission, vision, and values. Additionally, addressing involuntary, forced labor and child labor issues mitigated legal and reputational risks, which are crucial aspects of governance.

Risk of Forced Labour or Child Labour Being Used and the Steps we Have Taken to Assess and Manage that Risk

The sourcing of ingredients and manufacturing processes within the consumer packaged goods (CPG) industry can be associated with a risk of forced and child labor within the supply chain. We recognize these potential risks and the opportunity to promote ethical labor practices within the industry and beyond.

To assess these risks, we partner with thought leaders and industry groups, including The Food Industry Association, Food Health & Consumer Products of Canada, and Consumer Brands Association. These groups serve as a cornerstone in our commitment to ethical sourcing and supply chain integrity by ensuring we had the most up-to-date insight and access to best practices in identifying and mitigating forced labor and child labor risks within the industry. Engagement with these organizations continues to allow us to leverage the wealth of knowledge and methodologies other companies use to identify and mitigate forced labor and child labor.

To ensure we are able to manage potential risk, we implemented a technology system designed to enhance our review of existing and new suppliers. The platform is a comprehensive solution that will streamline and augment our due diligence process for our suppliers. The system enables us to organize and then further assess our suppliers, based on a variety of data attributes which may contribute to the risk of forced or child labor. In addition to augmenting our risk assessment, the tool can issue questionnaires, specifically designed to ask suppliers about forced and child labor conditions and other human rights working conditions. With the information we gather and assess from our suppliers we will be able to run additional data analytics to extract actionable insights and drive strategic decision making. Lastly, the tool enables workflow automation capabilities which will streamline our due diligence process and help ensure we are assessing all necessary suppliers.

Measures Taken to Remediate Forced or Child Labour in Our Supply Chains or the Loss of Income to the Most Vulnerable Families that Result from any Measures taken to Eliminate the Use of Forced Labour in our Activities or Supply Chains

During financial year 2023 we did not identify forced labor or child labor in our activities or supply chains. To date, no reports have been made regarding the use of forced labor or child labor. Therefore, remediation efforts have not taken place.

Employee Training

We understand that training employees about ethical behavior, including labor conditions, is crucial for fostering a culture of integrity and responsibility within an organization. By educating our staff about ethical principles and the impact of their actions on labor conditions, we can empower our people to make informed decisions when engaging with new and existing third parties.

In financial year 2023, all non-production employees, including those responsible for making contracting or purchasing decisions were required to complete our Code of Conduct training. A portion of this training required employees to thoroughly read and comprehend the document's contents, including a section addressing forced and child labor. This section discusses monitoring our business partners and practicing due diligence. Employees were educated on what to look for in a business partner which includes having no history of human rights abuses, following employment laws, and explicitly banning both forced and child labor.

As part of this training, the Code of Conduct also highlights our Ethics and Reporting Portal where employees can report of any potential human rights violations, including forced and/or child labor anonymously.

Measuring Our Effectiveness

Ongoing review of our policies and procedures is critical for measuring effectiveness and ensuring forced labor and child labor are not present in our activities and supply chains. Policy review has also enabled us to determine whether the established guidelines adequately address current challenges, regulatory requirements, and industry best practices.

In addition to regular policy and procedure reviews, we also track all ethical concerns, including human rights violations, submitted through our Ethics and Reporting Portal. Here, employees or third parties can report a concern, including those related to forced or child labor. We have not had any reported incidents which further confirms our policies and practices are effective in preventing forced and child labor.

Lastly, third-party audits also play a role in measuring our effectiveness in preventing and mitigating forced labor and child labor risks. While the scope of the audits are broader than human rights violations, we rely on their presence to provide another level of oversight for our company.

Board Approval

The Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Hain-Celestial Canada, ULC.

In my capacity as a Director of Hain-Celestial Canada, ULC. and not in my personal capacity, I make this attestation in accordance with the requirements 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 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.



Kristy Meringolo

Director and Corporate Secretary

I have the authority to bind Hain-Celestial Canada, ULC.

Date: May 31, 2024