

***Fighting Against Forced Labour and
Child Labour in Supply Chains Act***

OCEAN SPRAY REPORT

(Fiscal Year 2023)



1. INTRODUCTION AND IDENTITY

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) requires that business state the actions they have taken during the fiscal year to prevent and reduce the risk of forced labor or child labor within their operations and supply chain. This is a joint report prepared and filed by Ocean Spray Cranberries, Inc., and its subsidiary, Ocean Spray International, Inc., which have an obligation to report under the Act (together, “Ocean Spray”, “our”, “us” and “we”) for the financial reporting year ended August 31, 2023, (the “Reporting Period”) and sets out the steps taken to prevent and reduce the risk that forced labor and child labor was used at any step in the production of our goods in Canada or of our goods imported into Canada during the Reporting Period (the “Report”).

As a farmer-owned agricultural cooperative and globally recognized brand, we have a unique and wonderful opportunity to make a lasting and positive difference across the world. Connecting Our Farms to Families for a Better Life is more than just a company purpose statement—it’s the foundation for our strategic direction, shaping who we are, and who we want to be, as an organization.

As an organization, we put people first. We make investments in our team members, raise up the communities we serve, and support the livelihoods of our team members and our farmers. That work includes ensuring, through policies, processes, and values-based culture and ethics codes, that we reduce the risk of forced and child labor in our supply chain.

2. STEPS TAKEN DURING THE REPORTING PERIOD TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR

Ocean Spray has undertaken the following steps to reduce the risk that forced labor or child labor would be used in the production of goods in Canada by our Company, or of goods imported by our Company into Canada. Details on these activities are noted throughout the report:

- **Ocean Spray Code of Conduct.** Rules of the road all Ocean Spray team members are required to follow to act with integrity in all aspects of their work.
- **Supplier Code of Conduct.** Development of an Ocean Spray supplier code began in fiscal year 2023.
- **External Auditing of Manufacturing Production Facilities.** Ocean Spray has been an active Sedex member since 2018, wherein they conduct Sedex Members Ethical Trade Audits (SMETA) regularly at our manufacturing locations.
- **Adherence to all US Customs and Border Control Regulations.** More than 99% of the imports into Canada ship from the United States. The United States Customs and Border Protection have taken multiple measures to prevent goods sourced from forced labor from entering the United States. Importantly, Ocean Spray is also already certified as a Tier 3 CTPAT (Customs and Trade Partnership Against Terrorism) importer.
- **Direct Supplier Relationship with our Farmer-Owners.** As a farmer-owned cooperative, our cranberry supply comes directly from our farmer-owners pursuant to Cooperative Marketing Agreements (“CMAs”) – their membership agreements.

- **Internal Employment Policies.** Ocean Spray includes minimum age requirements and child labor prevention measures in this important policy.
- **Enterprise Risk Management (“ERM”) Program and Governance.** We have a robust ERM program to continuously audit, monitor, and mitigate key risks identified in our organization.
- **Ethics Reporting.** All team members have access to an anonymous ethics reporting system to raise concerns or questions regarding potential unethical business practices.

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Structure

Originally founded and incorporated in 1930, Ocean Spray Cranberries, Inc. is a Delaware corporation that operates as an agricultural cooperative, owned by roughly 700 cranberry farmers in the United States, Canada, and Chile. It produces cranberry-based juice drinks, dried fruit, sauce, snacks, and fresh fruit. Ocean Spray Cranberries, Inc. is the parent company of Ocean Spray International, Inc., among other wholly-owned subsidiaries. Ocean Spray International, Inc. is also a Delaware corporation and has been engaged by Ocean Spray Cranberries, Inc. to manage Ocean Spray business activities and contracts outside the United States.

Together, Ocean Spray Cranberries, Inc. and Ocean Spray International, Inc. employ approximately 2,000 team members worldwide, the majority of which are in the United States. The corporate headquarters for both Ocean Spray Cranberries, Inc. and Ocean Spray International, Inc. are located at One Ocean Spray Drive, Lakeville-Middleboro, MA 02349, United States.

Activities/Supply Chain

Fruit Receiving

Ocean Spray is not a typical consumer packaged goods (“CPG”) company. Operating as an agricultural cooperative, Ocean Spray’s shareholders are its farmer-owners. This group both delivers cranberries to the cooperative, as patrons, and owns the company, as shareholders.

Under their CMAs, Ocean Spray’s farmer-owners agree to deliver the cranberries harvested from certain acres to Ocean Spray. They deliver those cranberries to designated receiving facilities, which are located in cranberry growing regions in the U.S. (New Jersey, Massachusetts, Wisconsin, Washington, and Oregon), as well as in Canada (British Columbia, Quebec, and New Brunswick) and Lanco, Chile.

These receiving stations are either owned and operated by Ocean Spray or owned and operated by the farmers themselves. Farmer-operated stations are required to have a contractual agreement in place with Ocean Spray.

All receiving stations serve two primary functions: (1) to sample and grade delivered fruit to determine viability and quality; and (2) to clean, sort, and ship fruit to various freezers and/or manufacturing facilities within our supply chain.

Farmers deliver this fruit during the harvest period (September-November for North America, March-June in South America).

Production

Ocean Spray's production network includes company-owned and operated food and beverage manufacturing facilities in the U.S. (Massachusetts, Pennsylvania, Wisconsin, Texas, Nevada, Washington), as well as Manseau, Canada and Lanco, Chile. All of our facilities are committed to world-class safety and teamwork. Ocean Spray also contracts with co-manufacturing facilities, the overwhelming majority of which are in the U.S. and Canada. Within those vendor relationships, Ocean Spray requires these co-manufacturing facilities to adhere to our high standards for safety and quality, as well as compliance with applicable laws and regulations.

Imports

Ocean Spray's entities import into Canada a variety of materials including finished products for sale to customers, raw materials for production, and equipment for continued operations of the facilities located in Canada. Although Ocean Spray sources materials and equipment from international suppliers, during the reporting period, more than 99% of the total value of all imports into Canada for the entities subject to this Act are shipped from the United States.

The United States Customs and Border Protection Agency has employed various measures to prevent goods sourced from forced labor from entering the United States, including but not limited to the Uyghur Forced Labor Prevention Act (UFLPA) and the Countering America's Adversaries Through Sanctions Act (CAATSA). Ocean Spray complies with these laws.

4. POLICIES AND DUE DILIGENCE PROCESSES

Ocean Spray's **Code of Conduct** represents our rules of the road. It establishes the behavior that is expected of our team members and our company as a whole. Grounded in our purpose and values, the Code ensures we act with Integrity Above All in every aspect of our work. Every team member is required to take Code of Conduct compliance training.

Our Code is activated through our **policies and procedures**, which every Ocean Spray team member is required to adhere to and understand. The Code is our means for holding team members and Ocean Spray accountable to always engage in ethical business practices. In fiscal year 2023, Ocean Spray embarked on a reinvigorated approach to revise and improve all company-wide policies and standard operating procedures. The goal of this revision process was to create consistency and equity among policies, clarify language, and strengthen elements of compliance where necessary.

The 2023 revision process included amendment to our Employment Policy, which now better reflects our commitment to mitigating the risk of child labor. Additionally, our Employment Policy mandates we only select candidates for hire based on all minimum age laws and regulations where we operate. Ocean Spray also utilizes an **applicant tracking system**, which automatically rejects anyone identified as being under the age of 18 from applying for a role. We also conduct candidate background checks to further ensure no one under 18 is employed at Ocean Spray.

All team members are required to adhere to Ocean’s Spray’s high standards of ethical business practice. This means avoiding unethical behavior and empowering team members to speak up if they witness or become aware of unethical activity. Team members are encouraged to talk with their manager or Human Resources in those instances, but we also offer an **ethics reporting platform** (web or phone) to make sure team members have an anonymous option for sharing concerns. Part of this commitment is a no-retaliation policy: Ocean Spray will not tolerate retaliation against anyone who reports a concern.

Ocean Spray further developed and enhanced its **enterprise risk management (ERM)** program in fiscal year 2023, enabling us to be both proactive and protective—a best practice approach that ensures we are identifying and working to mitigate enterprise level risks. Structurally, we have a Management Risk Committee and Charter (to guide the Management Risk Committee), with clearly identified Risk Owners who have responsibility for all risk mitigation planning activities. These plans, and related actions, are reviewed with the Management Risk Committee and reported to the Audit Committee and Board, so that all levels of our organization have line of sight to protect our agricultural cooperative—and by extension our farmer-owners.

Ocean Spray has been an active **Sedex member since 2018**. Ocean Spray conducts Sedex Members Ethical Trade Audit (SMETA) 4-Pillar audits at all Ocean Spray-owned manufacturing plants regularly to monitor compliance and proactively identify opportunities for continuous improvement. Our Sedex membership provides us with the tools to manage and improve working conditions and adhere to responsible sourcing practices. SMETA is one of the most widely used social audit schemes in the world, providing a globally recognized way to assess responsible supply chain activities, including labor rights, health and safety, environment, and business ethics.

Additionally, Ocean Spray is committed to the highest level of supply chain security. In fiscal year 2023, Ocean Spray began developing a **Supplier Code of Conduct**. It is slated for release in calendar year 2024. We are also already certified as a Tier 3 CTPAT (Customs and Trade Partnership Against Terrorism) importer, which indicates that we have voluntarily participated in, and received the highest distinction of achievement for our participation in, the Customs and Border Protection’s (“CBP”) CTPAT program.

5. FORCED LABOUR AND CHILD LABOUR RISKS AND STEPS TAKEN TO ASSESS AND MANAGE THESE RISKS

As noted above, Ocean Spray’s unique structure as a farmer-owned agricultural cooperative (wherein our shareholders are also our cranberry suppliers), coupled with our strong practices, policies, and procedures, keep the risk of forced labor or child labor low for our organization. What could be considered “highest risk” for our company are areas of our supply chain not fully within our control. That is why we are developing a Supplier Code of Conduct, which will also include an assessment and auditing component when launched.

From an importing perspective, more than 99% of the total value of all imports into Canada for the entities subject to this Act are shipped from the United States. The United States Customs and Border Protection Agency has employed various measures to prevent goods sourced from forced labor from entering the United States, including but not limited to the Uyghur Forced Labor Prevention Act (UFLPA)

and the Countering America's Adversaries Through Sanctions Act (CAATSA). Ocean Spray is also already certified as a Tier 3 CTPAT (Customs and Trade Partnership Against Terrorism) importer, which indicates that we have voluntarily participated in, and received the highest distinction of achievement for our participation in, the Customs and Border Protection's ("CBP") CTPAT program.

6. REMEDIATION MEASURES

In fiscal year 2023, no measures were taken to remediate forced labor or child labor activities in Ocean Spray's supply chains.

7. REMEDIATION OF LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES

In fiscal year 2023, Ocean Spray was not made aware of any loss of income to vulnerable families, and therefore has not conducted an assessment of vulnerable families contemplated by this section.

8. TRAINING

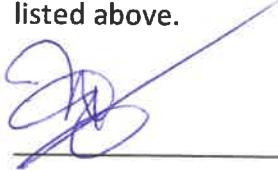
Ocean Spray's Compliance and Training program rotates its mandatory training topics on a regular basis for team members based on business need and level of risk. Ocean Spray did not conduct training in fiscal year 2023 regarding the topics of Child Labor or Forced Labor.

9. ASSESSING THE EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR ARE NOT BEING USED IN ENTITY'S BUSINESS AND SUPPLY CHAIN

In addition to our regular policy and process review and enterprise risk assessment and mitigation, in fiscal year 2023 Ocean Spray undertook development of a comprehensive Supplier Code of Conduct, which will include sections prohibiting forced labor and child labor. This Code is slated for release in calendar year 2024. In conjunction with the Supplier Code of Conduct, Ocean Spray will onboard an auditing partner to ensure our suppliers can be assessed for compliance.

APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in my capacity as a Director on the Ocean Spray Cranberries, Inc. Board of Directors, attest that I have reviewed the information contained in the Report for the entity listed above. Based on my knowledge in that capacity, and having exercised reasonable diligence, I, as a Director, 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 Period listed above.



Date: May 30, 2024

Name: Thomas P. Hayes

Title: President, CEO and Director
On behalf Board of Directors

I have authority to bind the corporation.

The Report was approved by the Board of Directors of Ocean Spray Cranberries, Inc. on May 30, 2024.