



# 2023 | IMPACT REPORT

CREATING CONNECTIONS THAT NOURISH LIFE







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# LETTER FROM CIRANDA'S EMPLOYEE- OWNERS

Dear Friends of CIRANDA,

We're honored to introduce CIRANDA's first-ever impact report. In it, you'll find the numerous ways we're making good on our mission to Create Connections That Nourish Life.

In 2023, we began to more intentionally quantify our impact on our ingredient partners and farmers, our environment, and our local and global communities. These connections have enabled us to make positive, lasting differences in lives and communities since our founding 30 years ago, and we wanted to be absolutely sure we were being intentional at every step.

CIRANDA's desire to make a positive impact begins with the mission, vision, and values that guide our business. But it's CIRANDA's people—our more than 50 wonderful employee-owners and ingredient partners—who bring those to life. It's the people who enable us to make good on our promise to create ingredients that inspire positive change in the world.

Thank you for taking the time to read our report. We hope it captures our passion for improving our environment and the lives of people in our local community—and communities worldwide.

- CIRANDA Employee-Owners







# OUR ESG JOURNEY

Sustainability has been at the heart of CIRANDA since the beginning. Our commitment to Environmental, Social, and Governance (ESG) principles starts at our headquarters in Hudson, Wisconsin, where we strive to model our commitment to environmental conservation, social issues, and corporate governance day in and day out.



# STARTING LOCALLY

CIRANDA's headquarters is ENERGY STAR® certified with a score of 96 for 2022 and 2023. Our building is equipped with state-of-the-art solar panels and is nestled up to our on-site garden, which is filled with organically managed flowers that provide a natural habitat for pollinators. Our sustainability committee, which is made up of employee volunteers with a passion for the issues, leads environmental education and eco-friendly initiatives within our office, such as managing CIRANDA's recycling and composting program.





# EXTENDING GLOBALLY

These efforts extend into how we engage our ingredient partners and source our ingredients globally. Each year, we source more than 50 million pounds of high-quality organic, regeneratively grown, non-GMO, and fair-trade ingredients from around the world. As you'll see later in this report, transparency is a key part of our engagements and sourcing, and we continue to look for opportunities to build more of it into our supply chain.



In 2000, CIRANDA became a member of the Organic Trade Association (OTA). Since then, we've been a leading force in the organic movement, even becoming an early sponsor of the OTA's Organic Fraud Prevention program and participating in its development. We are incredibly proud of our ongoing leadership role in strengthening what organic and clean labels mean to our customers—and to the health of consumers, global communities, and our environment.







# ESG MATERIALIZED

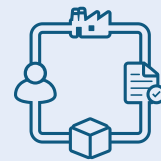
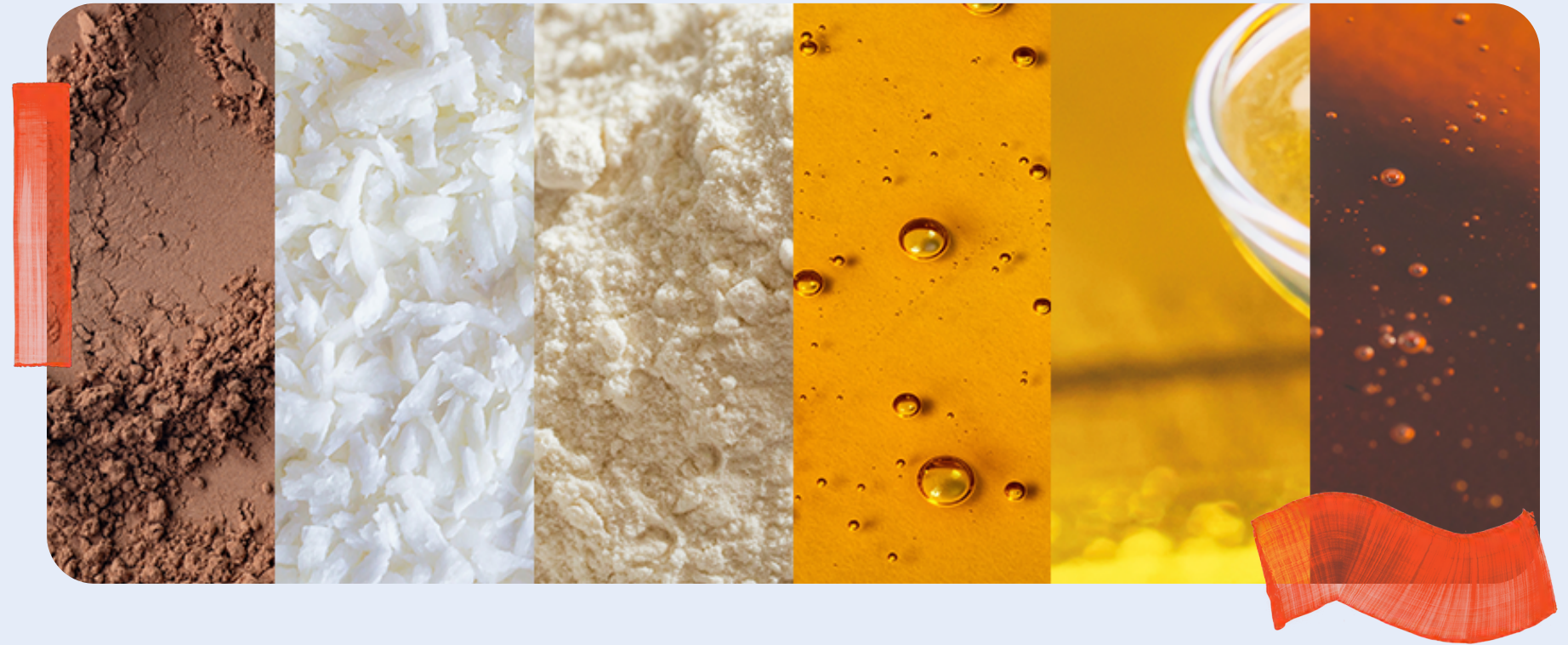
In 2022, we embarked on and completed our first materiality assessment to benchmark CIRANDA's ESG efforts. We engaged our key stakeholders in the process: employees, customers, partners and certifying bodies. From this assessment, we learned that topics such as climate change, water stewardship, employee well-being, and global community impact are all high-priority issues for our stakeholders. We also learned that our stakeholders want more reporting from us about our sustainability efforts, and how these efforts align with UN sustainability goals. These findings drove the creation of CIRANDA's three ESG pillars:

- Supply Chain Transparency
- Environmental Sustainability
- Community Enrichment





# OUR ESG PILLARS



## SUPPLY CHAIN TRANSPARENCY

Enhance compliance and monitoring systems to meet critical regulations and address the safety and wellbeing of our supply chain partners.

- Clean & Honest Labels
- Memberships & Ingredient Certifications
- Supplier Code of Conduct
- Ethical Trade Partnerships



## ENVIRONMENTAL SUSTAINABILITY

Shepherd a regenerative world through collaborative action in climate, biodiversity, and water management.

- Partnerships & Advocacy
- Ingredient Life Cycle Analysis
- Emission Reduction Initiatives
- Waste Reduction & Diversion



## COMMUNITY ENRICHMENT

Lead with integrity to cultivate meaningful impacts in the lives of our stakeholders through our community and global efforts.

- Sustainability Training
- Community Volunteering Program
- Corporate & Employee Donations
- Advocacy & Industry Involvement





# SUPPLY CHAIN TRANSPARENCY

Transparency is intrinsic to who CIRANDA is, and who we have always been. Over the last 30 years, we've created an exceptional level of transparency up and down our supply chain—most notably among our ingredient partners. We've spent decades building our relationships and working closely with the certifying bodies to ensure our labels are clean and honest. It's through our commitment to transparency and traceability that we will continue to offer ingredients with integrity—symbols of the good we strive to create in communities around our world.



# CLEAN & HONEST LABELS



## Our Certifications

Our ingredients carry certifications for organic, non-GMO, and kosher. Many of our ingredients are also available with fair trade and social certifications, helping our customers create better products for a better world.



Each CIRANDA ingredient label reflects an immense level of traceability and documentation. Ingredients must ultimately be traceable back to the source where they are grown, and extensive evidence must be provided to demonstrate a label lives up to its certifications. For example, to label an ingredient USDA Certified Organic, our ingredient partners must pass an annual, independent on-site inspection from a certified third party. In addition, CIRANDA is audited and certified annually to verify our traceability documentation.





## SUPPLY CHAIN TRANSPARENCY



### Code Of Conduct

In order to partner with CIRANDA, all our ingredient suppliers must agree to and sign our Supplier Code of Conduct. The code addresses critical human rights and labor practices, including freely chosen labor, fair wages, worker safety, non-discrimination, and worker equality. We work closely with our partners year-round, offering technical support and annual, in-person audits to see and understand firsthand how they operate and process our ingredients—and to ensure they are adhering to our Code of Conduct.

### Ethical Trade Partnerships

CIRANDA also continues to advocate for fair labor practices through Sedex, one of the leading ethical trade membership organizations. Our commitment is verified by SMETA (SEDEX Member Ethical Trade Audit), which facilitates third-party audits of our manufacturing partners that focus on the safety and well-being of the workers. Our goal is to reach 85% SMETA at all supplier sites by 2024 and 90% by 2026.



# OUR SUPPLIER CODE OF CONDUCT



# ENVIRONMENTAL SUSTAINABILITY

Through the decades, CIRANDA and its employee-owners have invested countless hours and dollars to ensure we leave the world better than when we found it. We've forged dozens of partnerships with environmental and agricultural organizations that align with our values around sustainability and that are making a lasting, positive impact on communities. Our partners' expertise, ranging from climate change mitigation to soil health regeneration, inspires and supports us in reducing our carbon footprint and sharing the human and environmental benefits of organic and non-GMO ingredients.

## Partners In Conservation:



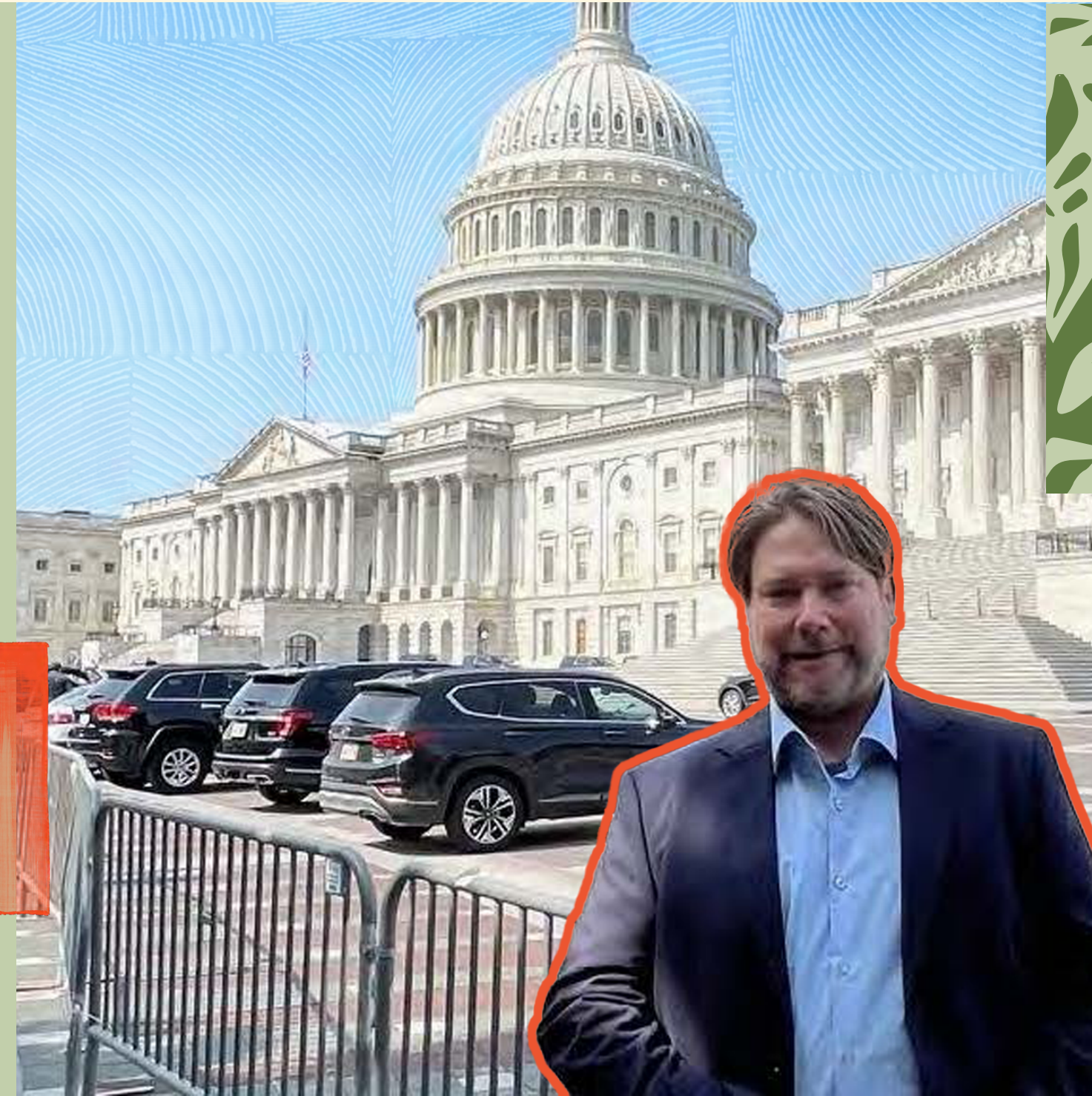




# BOOTS ON THE GROUND

Attending the annual Organic Trade Association's Organic Week in Washington, DC is an opportunity for CIRANDA to advocate for governmental support for the growth of organic. Along with participating in the OTA's Organic week, CIRANDA is an active member of the OTA Sustainability Council and maintains a seat on the Political Action Committee.

In late 2023, CIRANDA began fostering a strong relationship with the Regenerative Organic Alliance. We kicked off our sourcing journey with our first Regenerative Organic Certified® (ROC) ingredient in partnership with a long-time customer. As we move into the future, we will listen to our customers and, based upon their feedback and market demand, evaluate sourcing additional ROC products.





# THE CYCLE OF LIFE

Our ingredient partners align with our values for a sustainable future. We work closely with them to evaluate and monitor their sustainability efforts throughout the life cycle of their ingredients. Here are a few examples of our ingredient partners' sustainability initiatives:

- Producing organic rice syrup using laser land leveling to optimize production areas and reduce water inputs.
- Producing organic tapioca starch using the biogas from its wastewater treatment facility to fuel the manufacturing plant.
- Establishing carbon offset programs, installing solar panels, and reducing energy consumption at our tapioca syrup partner's production facility.
- Utilizing solar and biomass via combustion from industrial sources to generate a significant amount of electricity to power agave production facilities.
- Sourcing coconuts from small-holder farmers. These farmers utilize intercropping and biodiversity, repurposing husks as fertilizer, or shells for generating heat and steam at the coconut factories.



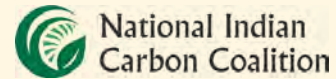


# REDUCING OUR CARBON FOOTPRINT

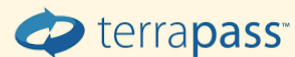
To help offset a portion of the emissions CIRANDA generates, we've partnered with several incredible emission-reduction initiatives and organizations.



We've offset 710 tonnes of greenhouse gases by investing in South Pole's climate protection projects. These projects include the Rimba Raya Biodiversity Reserve Project in Indonesia and the CYY Biopower Wastewater treatment plant in Thailand.



CIRANDA partners with the National Indian Carbon Coalition in Fond du Lac, Wisconsin. Most recently, we purchased 123 tonnes of carbon removal credits from the Indian Land Tenure Foundation in Minnesota.



In 2022, partial carbon offsets were also purchased through Terrapass to support the following projects:

- Reducing emissions from deforestation and degradation in Papua New Guinea.
- Peatland restoration and conservation in Indonesia.



## 833+ Tonnes Offset"

CIRANDA's Scope 1 and 2 emissions total less than 46 tonnes, well below our purchased offsets.

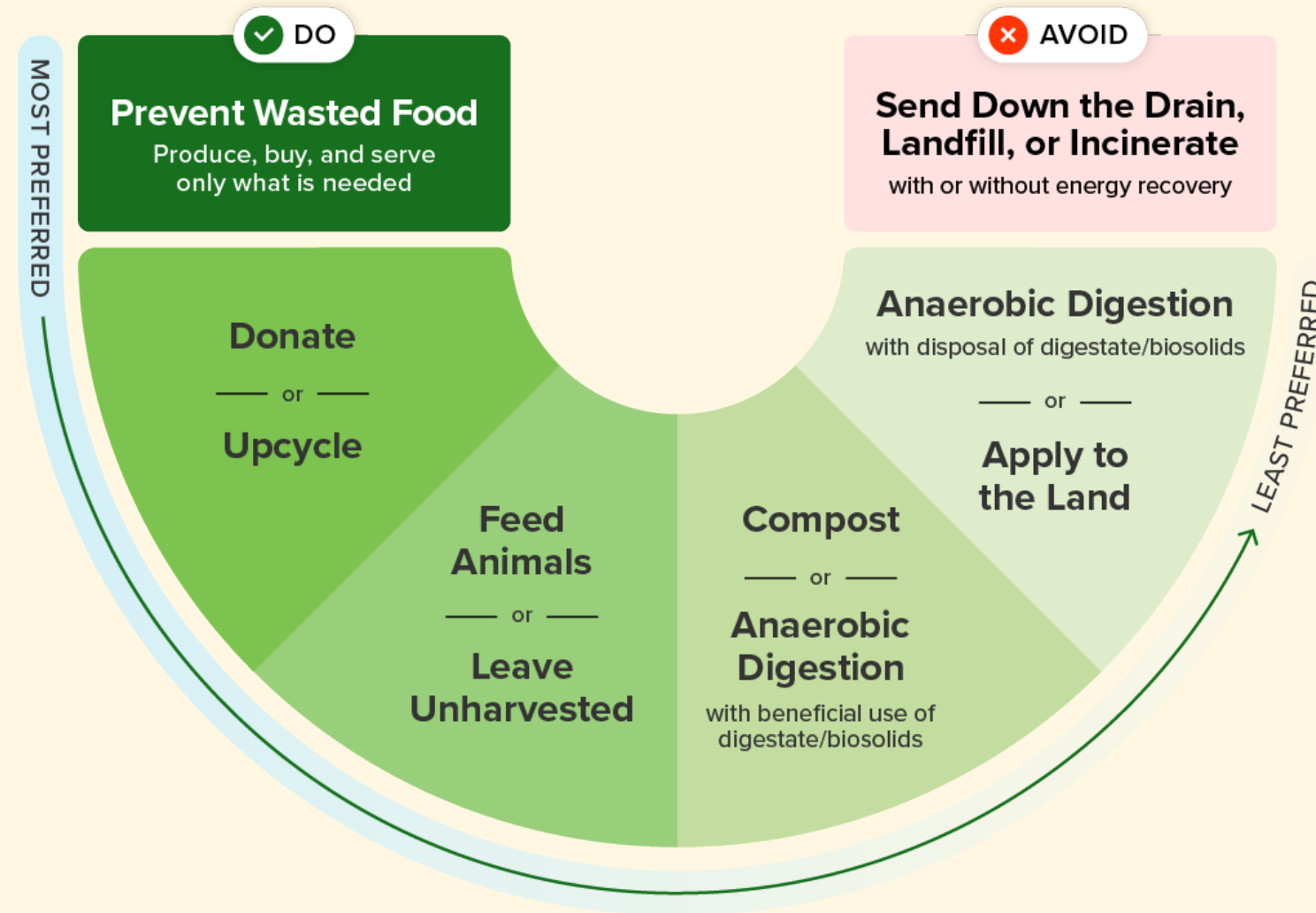






## Wasted Food Scale

How to reduce the environmental impacts of wasted food



Source: U.S. Environmental Protection Agency

# WASTE REDUCTION & DIVERSION

CIRANDA has taken several actions to reduce, reuse, and recycle the waste created from damaged products. Whenever possible, we divert those damaged products from the landfill and try to find them a welcome home. First, we examine them to determine whether a product is fit for human consumption, feed, or compost. We work closely with our brokers and other national connections to identify who can best utilize it. In some cases, county waste management requires products to be picked up or shipped to only approved organic recyclers. We've also taken the following steps to help further reduce waste:

- Created a dedicated inventory-management process to reduce waste.
- Improved accuracy for customer forecasting.
- Added customer discounts to move product that has reduced shelf-life.
- Strategically positioned ingredients in our warehouses to be close to our customers.

1 M lbs



Volume of distressed/damaged product CIRANDA diverted from landfills in 2023.





# COMMUNITY ENRICHMENT

Uplifting communities touched by CIRANDA is an integral part of our company culture. We are committed to supporting causes that improve the quality of life for residents of the local, regional, and international communities we are connected to. So much so, **CIRANDA donates 2.5% of our net income annually** and has established programs to support charitable giving through corporate matching.

- A portion of these donations are managed by an employee-owner-operated committee: the Community Involvement and Corporate Giving (CICG) Committee for both local and global hunger relief, disaster relief and community outreach.
- The remaining donations are overseen by CIRANDA's sustainability team, which manages gifts to global community impact projects and national organic farming resources.



# MAKING A DIFFERENCE AT HOME

CIRANDA is headquartered in historic, scenic Hudson, Wisconsin, along the St. Croix River and on the state's northwest border. We're grateful for the care and support our community extends to us, and we're proud to partner with nonprofits who support our neighbors in need.



In 2023, CIRANDA donated to organizations in our surrounding community and supported them with 872 employee volunteer hours.

- The **St. Croix RiverFest's Annual River Cleanup** event encourages people to enjoy, understand, and preserve the river that flows through the Hudson community. CIRANDA employees joined the effort by participating in the riverbank cleanup.
- In April 2023, CIRANDA was pleased to sign on as a collaborator on the **Wisconsin Department of Natural Resources'** new "Green Tier Charter for Climate Action."
- For five years CIRANDA has proudly supported **The Pollinator Friendly Alliance's** efforts to safeguard pollinators and the environment.
- **University of Minnesota Bee Squad** collects and manages data from the beehives located on the CIRANDA campus. The Bee Squad helps beekeepers in the community promote the conservation, health, and diversity of bee pollinators through research, education, and hands-on mentorship.



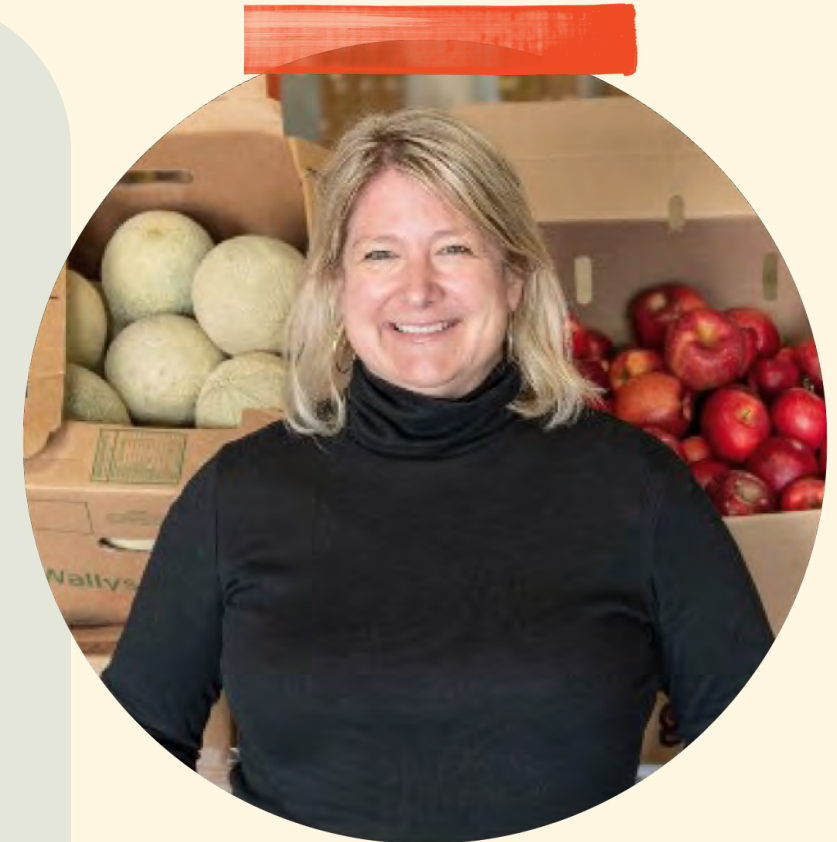


# A SPOTLIGHT ON ST. CROIX

“The St. Croix Valley Food Bank is honored to be a recipient of funding support and volunteer time from the employees of CIRANDA. This collaborative partnership is built on teamwork and exceptional results for sustainability now, and into the future.”

-Ann Prifrel Searles,  
CEO at SCVFB

[St. Croix Valley Food Bank \(SCVFB\)](#) is among CIRANDA’s most treasured, long-time partners. In 2023, we continued our support of the nonprofit, whose mission is to provide equitable access to food and end hunger in western Wisconsin. Each year, our volunteers pack hundreds of food boxes and participate in SCVFB’s food drives and fundraising events.





COMMUNITY ENRICHMENT

# OUR ST. CROIX IMPACT

- Our employees volunteer regularly at the food bank packing food into hundreds of boxes for distribution.
- In September 2023, we hosted a CIRANDA employee food drive for Hunger Action Month.
- In November 2023, we sponsored SCVFB's new food-relief delivery truck, covering operating costs for food delivery to hunger relief partners across western Wisconsin.
- We sponsored an industrial composter at the site of SCVFB's new food bank. The composter will be used to reduce waste going to the landfill and to educate the community about recycling and composting.
- CIRANDA's corporate gifts support two specific programs: Goodness in a Box and the Elder Food Box Program for St. Croix Chippewa Indian communities. Goodness in a Box delivers 40 boxes monthly to local, homebound individuals. The Elder Food Box Program provides tribe elders culturally specific food, grown by Wisconsin farmers.





# ENRICHING OUR COMMUNITIES ABROAD

CIRANDA sources ingredients from growers and producers in more than 15 different countries, including Brazil, Mexico, Thailand, the Philippines, Pakistan, and Peru. Beyond working to ensure fair wages, we provide our ingredient partners, farmers and their communities around the world with tools and resources such as production assistance, support for social projects, disaster relief, and more. Here are a few examples:



## THE CITIZENS FOUNDATION, USA

In 2022, CIRANDA began a partnership with **The Citizens Foundation USA** to help build and operate a much-needed school in the District of Karachi in Sindh Province of Pakistan, where CIRANDA has worked with ingredient partners since 2018. By Fall 2023, approximately 140 primary school students entered a brand-new school building in the District, with help from an initial donation provided by CIRANDA toward construction of the school and its operations. CIRANDA also sponsored two classrooms and the Aagahi women's program with an additional donation. The school supports underprivileged children and gender equality.



Also in 2022, severe monsoon flooding in Pakistan left thousands of people with nowhere to live. The disaster affected more than 33 million people. CIRANDA provided funding to **ShelterBox** to provide relief, which included tents, water filters and carriers, mosquito nets, solar lights, and cash assistance to families in need.



In 2023, CIRANDA responded to international hunger needs by supporting **World Central Kitchen**.







## LOOKING TO THE FUTURE

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At CIRANDA, we recognize that sustainability is always a work in progress. This means we'll keep expanding and refining our performance metrics. We'll continue evaluating our supply chain risks and reviewing areas for continual improvement, including our social and environmental impact. And we'll identify more opportunities to support and promote the organizations that oversee our certifications, and the producers who supply our ingredient partners. As we eye CIRANDA's future, we remain ever-committed to further developing a transparent and ethical supply chain and climate-friendly solutions that align with the United Nations Sustainable Development Goals. And, in the following pages, you'll see exactly how we plan to put these commitments in motion.



# SUPPLY CHAIN TRANSPARENCY INITIATIVES

## INITIATIVES

## 2024-2026 GOALS

## MAJOR MILESTONES

## TRACKING & MONITORING

### SMETA Audit

Complete CIRANDA's SMETA 4-Pillar Audit by 2024 and establish three-year cycle. Achieve SMETA audits or equivalent with 90% of ingredients sourced by 2026.

- Scheduled SMETA 4 Pillar audit for 2024
- Achieved 70% SMETA for suppliers (target was 50%)
- Upgraded CIRANDA's SEDEX membership

- 90% of ingredients sourced from SMETA-audited plants

### Supply Chain Risk Mitigation

Full adherence from suppliers addressing critical human rights concerns by developing CIRANDA's updated Supplier Code of Conduct, conducting annual Supplier Surveys and assessing Supply Chain risks.

- Researched Supplier Codes of Conduct
- Developed New Supplier Sustainability Survey

- 100% of suppliers have signed the COC
- 100% of suppliers complete annual survey





# ENVIRONMENTAL SUSTAINABILITY

INITIATIVES	2024-2026 GOALS	MAJOR MILESTONES	TRACKING & MONITORING
<p><b>Greenhouse Gas Assessment (GHG)</b></p>	<p>Establish tools and best practices to calculate Scopes 1-3 GHG emissions. Publish and set targets by 2026.</p>	<ul style="list-style-type: none"> <li>• Calculated baseline Scopes 1-2 emissions for 2022</li> <li>• Researched GHG-supporting software and tools</li> <li>• Created survey for supplier data collection for 2022 and refined for 2023</li> </ul>	<ul style="list-style-type: none"> <li>• Total Scope 1, 2, and 3 GHG emissions</li> <li>• Verified % reduction in Scope 1, 2 and 3 emissions</li> <li>• 90% of Suppliers providing data per year</li> </ul>
<p><b>Greenhouse Gas Reduction</b></p>	<p>Identify insetting projects, offsets and resources to foster energy and emission reductions. Leverage REC's to offset Scopes 1-2 emissions</p>	<ul style="list-style-type: none"> <li>• 833+ Tonnes Offset; REC's purchased</li> </ul>	<ul style="list-style-type: none"> <li>• Annual offset of Scopes 1-2</li> <li>• Identify insetting opportunities</li> </ul>
<p><b>Life Cycle Assessments</b></p>	<p>Conduct Life Cycle Assessments (LCA) for focus ingredients by 2026</p>	<ul style="list-style-type: none"> <li>• Verified focus ingredients</li> <li>• Researched resources and established baseline criteria for LCA analysis</li> </ul>	<ul style="list-style-type: none"> <li>• GHG emissions (Global Warming Potential - GWP) for the ingredient and packaging.</li> <li>• Water footprint for ingredients</li> </ul>
<p><b>New Certifications &amp; Memberships</b></p>	<p>Obtain certified ROC Products and research new certifications.</p>	<ul style="list-style-type: none"> <li>• ROC license achieved</li> </ul>	<ul style="list-style-type: none"> <li>• # of farms certified ROC</li> <li>• # hectares (acres) of certified ROC</li> </ul>



INITIATIVES	2024-2026 GOALS	MAJOR MILESTONES	TRACKING & MONITORING
<p><b>Sustainability Training</b></p>	<p>Develop and resource comprehensive sustainability training plan. Conduct Sustainability Engagement survey and Education-Related Committees Training to 100% of employees by 2025</p>	<ul style="list-style-type: none"> <li>• Researched training and framework</li> <li>• Coordinated presentations from 4 subject-matter speakers</li> <li>• Provided quarterly updates to employee owners and management</li> <li>• Established frameworks and timeline to be repeated annually</li> </ul>	<ul style="list-style-type: none"> <li>• # of people who participate in training</li> <li>• % Sustainability Engagement Score</li> </ul>
<p><b>Volunteering Program</b></p>	<p>Support CIRANDA's volunteering program and long-term relationships with community-based organizations. Develop continuous volunteer engagement communication and promote programs within the organization.</p>	<ul style="list-style-type: none"> <li>• Set hours of employee volunteer time</li> <li>• Shared volunteer engagement communication internally and externally</li> </ul>	<ul style="list-style-type: none"> <li>• Total hours volunteered</li> <li>• # of people who volunteered</li> <li>• #/outcome of projects (e.g. # of trees planted and resulting GHG carbon capture)</li> </ul>
<p><b>Calibrate Community Giving Policy</b></p>	<p>Calibrate global and local community Giving Policy by selecting 2-3 organizations in key communities to donate to and monitor donation impacts.</p>	<ul style="list-style-type: none"> <li>• Established 1 community project in Pakistan</li> </ul>	<ul style="list-style-type: none"> <li>• Total \$ annually donated</li> <li>• # of organizations receiving donations</li> <li>• % of minority organizations that received donations or support</li> </ul>
<p><b>Advocacy &amp; Industry Involvement</b></p>	<p>Demonstrate active engagement with aligned organizations to build a regenerative, sustainable world.</p>	<ul style="list-style-type: none"> <li>• Participated in SOE Task forces internally/externally</li> <li>• Deepened Organic Trade Association participation</li> <li>• Increased peer group and industry network participation</li> <li>• Participated in 4 Sustainable Speaking opportunities</li> <li>• Published 2024 report</li> </ul>	<ul style="list-style-type: none"> <li>• # of organizations with active participation</li> <li>• # of speaking engagements</li> </ul>
<p><b>Annual Sustainability Reporting</b></p>	<p>Publish CIRANDA's Sustainability Report by 2024 and set frameworks for annual reporting.</p>	<ul style="list-style-type: none"> <li>• Published 2024 report</li> </ul>	<ul style="list-style-type: none"> <li>• Publish Report 1 per year</li> <li>• # of downloads</li> <li>• # of page views</li> </ul>



# CREATING CONNECTIONS THAT NOURISH LIFE

CIRANDA is proud of and humbled by the positive, life-changing impact we've had on consumers, farmers, partners, and communities worldwide. And we're more excited than ever to continue this incredible work. Collaboration—a core CIRANDA value—will be a key part of this. We know it will take our employees, our partners, our customers, and our ingredient partners, among others, to realize the sustainable food future we all envision.



If you'd like to collaborate with us and create even more connections that nourish life, please get in touch. Visit [ciranda.com](https://ciranda.com) or email [connections@ciranda.com](mailto:connections@ciranda.com) to get started.







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CREATING CONNECTIONS THAT NOURISH LIFE