

California Transparency in Supply Chains Act

Canyon and its affiliated companies have a zero-tolerance policy towards any form of forced and child labour. As part of the Human Rights Program, Canyon's policies formalize the commitment to act ethically, respectfully and with integrity concerning human rights and the prevention, mitigation, and remediation of violation in any form. This includes Canyon's own operations and the supply chain.

Canyon's human rights policies are based on internationally applicable laws, standards, and documents, which provide a clear and transparent framework on how business can be done in a responsible way and are outlined in our governance framework. These include, at a minimum, the International Bill of Human Rights, the Declaration of Fundamental Principles and Rights at Work of the International Labour Organization and its fundamental conventions. The UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct are the main frameworks that define Canyon's due diligence processes. Canyon established the policies through direct business partners and has made them accessible to the public on canyon.com.

1. Verification

Canyon assesses the risk of modern slavery in the supply chain through an end-to-end supply chain due diligence platform. The risk assessment originates from third party social audit data and civil society indices. Regular screening of web and media sources that trigger alerts for supplier and vendor controversies relating to labour, health and safety, environment, business ethics and management systems complement the due diligence approach. The assessment of modern slavery risks is part of our yearly human rights risk assessment.

2. Auditing and Certification

As stated in Canyon's Supply Chain Code of Conduct and Child and Forced Labour Policy, Canyon requires from all its suppliers to follow the local legislation in the countries in which they do business and the human rights requirements formalized in both human rights policies. To verify compliance with the above requirements and prevent, remediate, or mitigate potential non-compliances together with our partners, fully announced social audits are conducted at high-risk locations by third party auditors.

3. Accountability and Training

Canyon's Child and Forced Labour Policy lays out clear requirements in case non-compliances with the policy are suspected or detected in its supply chain, including remediation requirements. In 2023 Canyon started with a company-wide human rights awareness training program, which includes the topic of modern slavery. This high-level training is rolled out across all departments that have direct contact with high-risk production locations.

Canyon employees and external interest groups can report any actual or suspected cases of human rights violations that are connected to our activities through the [Speak Up platform](#). All available reporting channels for cases of non-compliance with Canyon's Supply Chain Code of Conduct and Child and Forced Labour Policy, confidentiality and anonymity safeguards, responsibilities, and handling procedures of reported cases of non-compliance, as well as protection and non-retaliation of whistleblowers are outlined in the Speak Up Policy, which is accessible under canyon.com.