



SWISS WATER DECAFFEINATED COFFEE INC.

**2025 Statement on Fighting Against Forced Labour
and Child Labour in Supply Chains**

Dated
March 10, 2026

SWISS WATER DECAFFEINATED COFFEE INC.

Statement on Fighting Against Forced Labour and Child Labour in Supply Chains

INTRODUCTION

This Statement (the "**Statement**") describes the actions taken by **SWISS WATER DECAFFEINATED COFFEE INC.** and its subsidiaries as described below ("**Swiss Water**" or the "**Company**") during the financial year ended December 31, 2025, to prevent and reduce the risk of modern slavery including slavery, servitude, forced or compulsory labour, child labour and human trafficking (collectively, "**Modern Slavery**") within the Company's operations and supply chains.

Swiss Water Decaffeinated Coffee Inc., as the ultimate parent of its subsidiaries, is submitting this joint Statement on behalf of itself and its subsidiaries. This Statement is made in compliance with the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 (the "Act").

ABOUT THE COMPANY STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

Below is a brief description of Swiss Water's structure, activities, and supply chain. Further details are described in the Company's Annual Information Form for the year ended December 31, 2025 and in the Company's Information Circular, both of which are available on the Company's website and SEDAR Plus.

Structure

Swiss Water is a company amalgamated under the *Canada Business Corporations Act* and its common shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol "SWP". The Company's principal office is located at 7750 Beedie Way, Delta, British Columbia, V4G 0A5, Canada. Swiss Water's subsidiaries are Swiss Water Decaffeinated Coffee Europe SARL ("SWEU") which is registered in France, Swiss Water Decaffeinated Coffee Company USA, Inc. ("SWUS"), which is registered in the United States, and Seaforth Supply Chain Solutions Inc. ("Seaforth"), which is also registered in Canada.

Activities

Swiss Water is a premium green coffee decaffeinator located in Delta, British Columbia. It employs the proprietary Swiss Water® Process¹ to decaffeinate green coffee without the use of chemical solvents, leveraging science-based systems and controls to produce coffee that is 99.9% caffeine free. This process is certified organic by the Organic Crop Improvement Association and is the world's only consumer-branded decaffeination process. Decaffeinating premium green coffee without the use of harmful chemical solvents is Swiss Water's primary business.

Seaforth provides a complete range of green coffee logistics services including devanning coffee received from their origin; inspecting, weighing, and sampling coffees; storing, handling, and preparing green coffee for outbound shipments. Seaforth provides all of Swiss Water's local green coffee handling and storage services. In addition, Seaforth handles and stores coffee for several other coffee importers and brokers and is the main green coffee handling and storage company in Metro Vancouver. Seaforth is organically certified by Ecocert Canada. SWUS and SWEU, each with a small

¹ The Company is a registered owner of this trademark.

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presence in the United States and France, respectively, manage the sales and marketing functions of the business.

Swiss Water has a team of 81 full-time and two part-time employees located in Delta, BC, Canada; SWUS has three full-time employees in the United States, and SWEU has two dedicated full-time employees located in France. The Seaforth team consists of 21 employees working at its Delta, BC, Canadian storage facility. Seaforth's team is supported by the Teamsters Union, while the United Food and Commercial Workers Union represents Swiss Water's non-salaried employees.

Supply Chain

Swiss Water sources green coffee from North America, Central America, South America, Africa, and Asia. The coffee supply chain is highly complex, with most of the world's coffee farmers being smallholders and family farms. The supply chain requires a multilayered approach to increase access for smallholder farmers in the global market. Most buyers of large volumes of coffee, like Swiss Water, cannot, therefore, feasibly procure directly from individual farms. Swiss Water only purchases coffee through known and trusted importers and exporters, which liaise between Swiss Water and coffee farmers to procure coffee within the Company's specifications.

After green coffee is decaffeinated in Canada, it is distributed to leading specialty roaster retailers, specialty coffee importers, and commercial coffee roasters throughout North America and internationally. Swiss Water also processes customer-owned coffees where the customer procures their own coffee and ships it to Swiss Water's Canadian facilities. Swiss Water processes their coffees and sends the finished product back to the customer's destination of choice. Swiss Water also sources packaging material from North America and Asia.

RISKS OF MODERN SLAVERY IN OPERATIONS AND SUPPLY CHAIN

Identification of business risks, including risks related to human rights in connection with Swiss Water's coffee procurement program, is part of the Company's enterprise risk management procedure ("ERMP"). The Swiss Water Board of Directors (the "Board") has oversight over the ERMP and reviews a detailed risk register at each regularly scheduled Board meeting.

In 2023, Swiss Water undertook measures to evaluate the risk of Modern Slavery within its supply chains and operations. This included conducting a risk-based assessment of its operations and supplier base, as well as consulting the latest governmental advice and guidance. Swiss Water continues monitoring and evaluating the risks on an ongoing basis.

Assessment of Potential Risks within Swiss Water's Operations

Swiss Water assesses the risk of Modern Slavery within its operations as low. Swiss Water's workforce is primarily based in North America, with a few employees in Western Europe, which are regions that pose a lower risk of Modern Slavery.²

² Based on 2023 research by the [Global Slavery Index](#), North America and Western Europe have some of the lowest rates of Modern Slavery.

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To mitigate the risk within Swiss Water's Operations, as indicated below under training, the Company's employees are required to abide by, read, and sign off on the Company's Code of Business Ethics (the "COBE") annually. The COBE is also reviewed by the Board annually to ensure it continues to meet the Company's evolving context and needs.

Also, to mitigate the risk, members of the Company's coffee procurement team, finance team, and senior management have completed formal training focused on the identification, prevention, and mitigation of forced labour and child labour risks within the Company's operations and supply chain.

Assessment of Potential Risks in the Coffee Supply Chain

The coffee supply chain is fairly complex, as there are many layers of participants in the supply chain. Swiss Water does not grow its own coffee, nor does it have the resources to procure coffee directly from a multitude of farmers who are located globally. Swiss Water depends on third-party suppliers in the agricultural sector for the cultivation and supply of coffee. As such, Swiss Water relies on third-party importers who source coffee from cooperatives and/or farmers. These suppliers often operate outside of North America, with some located in regions historically characterized by less robust labour regulations. Overall, based on a Global Slavery Index survey (2021), for coffee growing regions located outside of North America, Swiss Water considers its third-party vendors, which operate further down the supply chain than cultivators, to pose a moderate risk of Modern Slavery. While Swiss Water requires its direct suppliers to comply with all applicable laws, including those related to labour, health and safety, human rights, and business ethics, the risk inherent to complex global supply chains is that there is less visibility into the operations of sub-suppliers several levels down the supply chain.

To mitigate the risk of procuring coffee inventory from importers or growers not compliant with Modern Slavery regulations, the Company's contracts contain a requirement that states coffee obtained through forced labour will not be accepted, nor tolerated by the Company. Additionally, Swiss Water only procures coffee from reputable importers and seeks to purchase green coffee with Fairtrade certifications where possible. As disclosed on the Fairtrade International website, that organization is committed to fighting the root causes of labour abuses and preventing the exploitation of vulnerable people, which is also documented in their Protection Policy and Procedures for Children and Vulnerable Adults³. The Company also seeks to source coffee that meets the local jurisdiction's forced labour requirements. For example, in Brazil, Swiss Water refuses coffee from the 'prohibited list' of farms provided by the Inspeção do Trabalho.

STEPS TAKEN TO PREVENT / REDUCE THE RISK OF MODERN SLAVERY

In 2025 and prior years, Swiss Water applied the following measures to prevent and reduce the risk of Modern Slavery used at any step of the production of goods in Canada or elsewhere by the Company or of goods imported into Canada by the Company:

Code of Business Ethics Policy

Swiss Water operates within a complex framework of federal, provincial, state, and municipal laws. In addition to Canadian laws, the Company is also subject to the laws and regulations of foreign

³ Fairtrade International <https://www.fairtrade.net/issue/forced-labour>

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countries in which it does business. Employees are expected to comply with applicable laws and regulations of every jurisdiction where the Company carries on business. Annually, the Company obtains an attestation from each of its employees of their compliance with COBE. Swiss Water's COBE (which is also available on the Company's website along with other governance documents) applies to the Company's Directors, officers, employees, agents, and contractors of the Company. This COBE also applies to third parties dealing with Swiss Water, as determined by the Board.

Contractual Terms with Vendors

The Company's vendors are known and trusted, and the procurement agreements required to be signed by all suppliers from which the Company buys coffee have terms that state zero tolerance for forced labour. Statements include "We will not accept coffee produced using forced labour and will send the coffee back to you if it is found to be produced using forced labour". For Brazilian suppliers, Swiss Water's terms also reference zero tolerance and refusal of coffee from the 'prohibited list' of farms provided by the Inspeção do Trabalho.

Training

All Swiss Water employees receive annual training on the COBE, as outlined above. In addition, the Company's coffee commodity procurement team, finance team, and senior management have participated in formal training related to the prevention of forced labour and child labour. Management will continue to evaluate additional training needs on identifying and mitigating the risk of Modern Slavery within the Company's operations and supply chains, as appropriate.

Inquiries with Stakeholders

Annually, management conducts confidential employee surveys to encourage the reporting of any known or suspected incidents, whether at Swiss Water, its subsidiaries, customers or vendors, and to reinforce a culture of vigilance and prevention with respect to forced and child labour.

In addition, Swiss Water receives inquiries, codes of business ethics, and related policies from multiple customers and vendors outlining their efforts to prevent forced and child labour. The Company respects these practices, supports and encourages employee participation, as they demonstrate a shared commitment across the supply chain to ethical and responsible business conduct.

Board Oversight & Governance

Swiss Water's Board and its committees (the Corporate Governance and Compensation Committee and the Audit Committee) oversee the COBE, risk management practices, and strategies to mitigate risk, which includes risks of Modern Slavery. Additional information pertaining to Swiss Water's corporate governance structure is available on the Company's website, under the [Leadership & Governance](#) section and in public filings with Canadian securities authorities.

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Grievance Mechanisms

The COBE provides multiple options to report violations or suspected violations of the COBE. The COBE also contains prohibitions on retaliation against employees who have reported violations or suspected violations of the COBE. Swiss Water does not tolerate retaliation against good faith reporting of potential violations. Any reports received are investigated and monitored, and at each meeting of the Audit Committee, the Audit Committee Chair, Board Chair and Chief Financial Officer report if they have received any whistleblower complaints.

MEASURES TAKEN TO REMEDIATE ANY FORCED OR CHILD LABOUR

Swiss Water strictly adheres to all labour laws in the jurisdictions where it operates and intends to thoroughly investigate any allegations of noncompliance. As of the date of this Statement, to the best of management's knowledge, Swiss Water has not uncovered any instances of Modern Slavery within its supply chains or operations.

APPROVAL AND ATTESTATION

This Statement was approved by the Board of Directors of Swiss Water Decaffeinated Coffee Inc. on March 10, 2026. For the purposes of the Act, we confirm this approval in respect of Swiss Water Decaffeinated Coffee Inc. and its subsidiaries listed above.

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in this Statement for the entities listed above. Based on our knowledge, and having exercised reasonable diligence, we attest that the information in this Statement is true, accurate and complete in all material respects for the purposes of the Act, for the year ended December 31, 2025.

(Signed) "**Frank A. Dennis**"

Frank A. Dennis, Director, CEO and President
Swiss Water Decaffeinated Coffee Inc.
Delta, British Columbia, Canada

(Signed) "**Alan C. Wallace**"

Alan C. Wallace, Chairman of the Board
Swiss Water Decaffeinated Coffee Inc.
Delta, British Columbia, Canada