

803434900058



Office of the Minnesota Secretary of State

Minnesota Public Benefit Corporation / Annual Benefit Report

Minnesota Statutes, Chapter 304A



Read the instructions before completing this form
Must be filed by March 31
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Fair Anita SBC

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information); Note: Use additional sheets if needed. (Required)

Please see attached document

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Joy Mc'Brien
Signature of Public Benefit Corporation's Chief Executive Officer

3/2/2021
Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

Joy.mcbrien@gmail.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Joy Mc'Brien 651-338-3842
Contact Name Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?
Yes No

Sixth Annual Benefit Report of

FAIR ANITA,

A Minnesota Specific Benefit Corporation

February 23, 2021

FAIR ANITA

We're on a mission to build a company that's good for the world and the people who inhabit it. Creating space for women to feel safe, valued, and respected—no matter their geography. This mission has led us to working with 8,000+ changemaking women around the world: women who are on their own missions to improve the lives of their children and communities.

At Fair Anita, we are committed to creating economic self-sufficiency for women. Working with survivors has long been at the heart of what we do. But economic opportunity isn't just good for women; it's good for the world. For every dollar a woman makes, between 80-90 cents is reinvested back into her family and communities, as opposed to 30-40 cents by men. Women work diligently to create better lives for their children; making sure they are fed and clothed, sending them to school, even putting them through college. Women's economic empowerment and leadership is key to overall economic growth and prosperity, and we are lucky to partner with so many of these changemakers.

Fair Anita is a social enterprise that supports women in marginalized communities through dignified jobs and fair trade relationships. We sell cute + ethically-made + affordable products handcrafted by female artisans in 9 countries, giving women resources they need to improve their lives, while providing the chance for consumers to contribute to conscious supply chains through their purchases. The sale of our products provides income to over 8,000 talented women. Our message is women investing in other women, creating positive impact globally.

Fair Anita exists to serve women.

We envision a shopping experience where customers can go to the store and know where their product is actually coming from. All products should be mission-based products—no product should exploit people in the making of it. We want customers to have the opportunity to make fashion-forward purchases that empower people rather than exploit them. Fair Anita is opening up a fair trade supply chain so that products that consumers love can also do good in the world. Dignified relationships all around.

History of Fair Anita

Fair Anita was incorporated as a Minnesota Public Benefit Corporation on January 2, 2015. After falling victim to rape and sexual violence, Joy became very passionate about women's rights. Feeling compelled to take action on the issue, she moved to Chimbote, Peru, and worked alongside local leaders to build the city's first battered women's shelter, working to heal herself while helping others tackle the same issue. After years of traveling and meeting with women from around the world, Joy McBrien founded Fair Anita as a way to provide economic opportunity to the women who need it most, the women who continually ask for it. Financial insecurity is the #1 reason women stay in abusive partnerships, and economic abuse affects 99% of women experiencing domestic violence. Sustainable jobs have the potential to create big impact in women's lives and their communities. This is why Joy started Fair Anita, because of this clear need for a platform for these women to sell their products. We're so grateful for the support of our communities in these efforts and have been so excited to see the growth Fair Anita has experienced over the last six years.

Management

Joy McBrien is the Founder and CEO of Fair Anita. Joy is a global learner who is passionate about creating opportunities for women and girls. She has worked with thousands of women around the world, using her empathetic nature to understand circumstances and develop creative solutions. As a graduate of the University of Minnesota in Entrepreneurship Studies, Nonprofit Management, and Design, Fair Anita combines her passions and strengths. Joy has been recognized for her leadership in this space, awards including: Top Ten Outstanding Young Minnesotans 2015, Open Hands Initiative Fellow 2016, and Minnesota Business Magazine's 35 Entrepreneurs Under 35 and Real Power 50 award. Joy is part of the Global Shapers community, and she was chosen to represent women's issues at the World Economic Forum's conference on Overcoming Social and Economic Exclusion with His Holiness Pope Francis, as well as participate in "Summer Davos" in China and lead a session on gender equity at the World Economic Forum's Sustainable Development Impact Summit. At Fair Anita, Joy is responsible for overseeing and implementing growth activities, such as marketing, artisan relationships, product development, and sales, in addition to setting the company's vision and making goals to create a more inclusive economy for women.

2020 Fair Anita team members included:

- Anna Bottila: Operations Manager (FT). Anna is responsible for all off-site sales, part-time staff management, inventory management, and customer service, and she plays a critical role in developing our retail and wholesale sales channels and our brand presence in the Twin Cities and around the country.
- Taylor Hall: Marketing and Analytics Manager (FT). Taylor's passion for ethical supply chain brought her to our team, where she manages our marketing efforts (emails, social media, website, ads, etc) and is working to improve our SEO and online analytics.
- Libby Ames: Inventory Manager (FT). Libby started with us full-time in 2020, intending to manage our pop-up markets (which all got canceled!). She shifted to an even-more critical role: managing our inventory and purchasing, and she now helps with fulfillment.
- Sarah Ling: Creative Director (PT). Sarah manages most creative aspects of Fair Anita, including all photography, Instagram, graphic design elements, and product design.
- PJ Valenciano: Digital Marketing Manager (PT). PJ is a part-time team member based in the Philippines. She manages our SEO and online branding, including blog posts, Pinterest, and Twitter.
- Grace Nelson: Social Media Manager (PT). Grace started with us in the summer of 2018. She now manages our Facebook page and ambassador program, based in Nebraska.
- Nikki Luczak: Sales Associate (PT). Nikki started with us at the end of 2018, our first sales associate based outside of Minnesota. She manages pop-up sales in WI and IL.
- Joanna Quealy: Sales Associate (PT): Joanna manages visual merchandising and off-site pop-up sales in Illinois.

Our Board of Directors includes:

- Jeanne Voigt: strategy and impact investor
- May Swenson: operations, inventory, and supply chain expertise
- Joy McBrien: Fair Anita CEO & Founder
- (unofficial) Anita Caldas, namesake of Fair Anita

Highlights of the Year

January 3, 2020: **Hosted second #AnitaAdventure Artisan Learning Tour in Cambodia**, with 10 Americans, including Fair Anita customers and staff.

January 15, 2020: **Hired Libby as our 3rd full time staff member**, who leads our inventory management efforts, leading to better cash flow control and a more conscious supply chain.

February 1, 2020: **Exhibited at NY NOW Trade Show**, our most successful wholesale trade show event to-date!

March 5, 2020: **Hosted first #AnitaAdventure Artisan Learning Tour in Peru**, with 11 Americans learning from our partners in Chimbote, including Anita herself!

March 8, 2020: **Celebrated International Women's Day** surrounded by love in Chimbote, Peru. We invited the artisans and their families for a picnic and party at a pool/park!

March 20, 2020: **Launched our COVID-19 Emergency Relief Funds**, giving no-strings-attached donations to our artisan partners that they distributed to their neighbors in forms of food, medicine, cleaning supplies, even oxygen tanks.

April 6, 2020: **Joy returned to United States**, after being robbed and quarantined in Peru after the pandemic caused a National Emergency closing Peruvian borders.

April 15, 2020: **Began the sales of 3-layer face masks**, donating 100% of proceeds to our Emergency Relief Funds. By the end of 2020, we were able to donate \$75k!

June 16, 2020: **Chosen as a winner of the Stacy's Rise Project**, alongside 20 US-based female entrepreneurs who prioritize mission + sustainability. We received a \$10k grant and participated in a fantastic 6-month mentorship program with experts from Frito Lay and Pepsi.

July 1, 2020: **Began selling wholesale on Faire platform**, which has given us greater exposure to retailers across the US and Canada.

July 6, 2020: **Hired Taylor as a 4th full time team member**, even during a pandemic! Taylor had been learning SEO and digital marketing and made an invaluable role for herself as 100% of our sales went online.

July 8, 2020: **Began classes with WomenVenture**, focusing on improving financial savvy and implementing team management via the Entrepreneurial Operating System. This exceptional cohort really helped put a great foundation in place for our future growth.

August 1, 2020: **Started virtual trade shows** with wholesale customers, pivoting after in-person trade shows were canceled, and had a lot of success with our TikTok-inspired show with the Fair Trade Federation.

August 11, 2020: **Formed the Fair Trade Federation's JEDI Committee**, focusing on Justice, Equity, Diversity, and Inclusion. Joy is one of the founding members of this committee, addressing the white savior complex in the fair trade movement and working to make our work more just.

September 3, 2020: **Joy wins Women in Business Award** from MSP Business Journal.

October 1, 2020: **Launched new recycled brass pins**, which became an overnight best seller.

October 5, 2020: **Winner of NY NOW Community Impact Award** for our response to supporting our artisan partners and their communities through the pandemic.

November 1, 2020: **Launched the Fair Trade Holiday Market** pop-up storefront location with 6 other Twin Cities-based fair trade brands.

November 13, 2020: **Fair Anita wins Social Enterprise Award** from Women Venture.

Our SBC Mission:

*Empowering under-resourced women throughout
our supply chain and business operations.*

Pursuit of Mission

With regard to the period covered by this report, January 1, 2020 to December 31, 2020, Fair Anita pursued the specific benefit purpose stated in its articles in the following ways.

- **Selling fair trade products.** As a business, our main activity is the creation and selling of fair trade products, made by over 8000 women in 9 countries. The sale of these products provides fair incomes, good working conditions, and a sustainable job to women around the world. Part of our mission is to fill a gap in consumer markets by sourcing fair-trade goods that are designed to appeal to a younger and/or more mainstream demographic and at lower prices than are average for fair trade consumers. This brings a new demographic to ethical, fair trade purchasing, which ultimately increases opportunity for our artisan partners to create and sell their products. Resources devoted to this include: staff time, marketing, website development and maintenance, order fulfillment, shipping products, off-site sales, building wholesale partnerships, creating relationships with customers, and managing an authentic brand.
- **Increasing capacity** in design and business of artisan groups. Fair Anita not only buys and sells products from fair trade artisan groups, but we work with the women to increase their competencies, supporting their business growth and hiring of additional artisans. We work with them on design skills, which helps us be able to sell more product and increase their sales. We regularly work on business acumen as well, making sure all costs are accounted for in their pricing strategies and figuring out the best ways to improve the supply chains. This year, we worked in-person with artisan groups in Cambodia and Peru, in addition to working digitally with groups in 7 other countries.
- **Emergency Relief Funds** provided much-needed resources to communities during the pandemic. While our artisan partners were well taken care of with continued work, we quickly learned that they were really struggling to see their neighbors suffer so much with the economic and health implications of the lockdown. Through donations and the sales of cotton face masks, we were able to donate \$75,000 to our artisan partners, which they distributed to their communities. They had complete say and leadership on how these funds were spent, as they know their communities best. We saw many groups putting together baskets with food/living staples and distributing them to the most vulnerable families in their communities. Other groups set up temporary clinics, testing sites, and oxygen relief tanks for infected members. The changemaking accomplished by our artisan partners in 2020 was nothing short of incredible.
- **Providing mentorship** and guidance to entrepreneurs across the U.S. and globally. We worked with hundreds of entrepreneurs, primarily those looking to start mission-driven businesses, to help them prepare, launch, and/or scale. We worked primarily with young entrepreneurs, often meeting with students to help them think critically about their business models.

- **Anti-Racism work** focused both abroad and here in the U.S. At Fair Anita, we believe that anti-racism work is absolutely critical to the feminist movement, and as a social enterprise (primarily led by white women) working with artisans in 9 countries, it is of utmost importance that we are always pushing ourselves further in our understanding of anti-racism work. Following the murder of George Floyd in Minneapolis, where our team is based, we took 2 weeks off from our "regular work" to volunteer in the community and focus on the Black Lives Matter movement. This anti-racism work, of course, has continued past the uprising that took place in Minneapolis: we've maintained a staff anti-racism book club, Joy is a founding member of the Fair Trade Federation's JEDI (justice, equity, diversity, inclusion) Committee to further anti-racism work within the larger fair trade movement, we've worked closely on the Save the Boards to Memorialize the Movement project to preserve protest art, and we continue to further these conversations with our customers. Historically, we've led in-person anti-racism workshops, which we hope to continue after the pandemic subsides, as we are most equipped to do this work well when working in-person with our community.
- **Donating to causes** that further Fair Anita's mission. We made donations, both in-kind and otherwise, to nonprofit organizations that support women around the world and in the Twin Cities. These include (but aren't limited to): Women's March, Dress for Success, Sisterhood Boutique, Ann Bancroft Foundation, Survivor's Memorial, YWCA, and International Justice Mission.

Impact

Fair Anita is creating impact in Minnesota and across the world. Here's how we succeed in meeting the goals of our specific benefit purpose:

By selling fair trade products.

- **Impact of selling products on earning opportunity for women.** We are proud to have maintained steady income for our partners, despite the economic shutdowns and pandemic lockdowns. We paid upfront payments to all of our artisan partners (even more so than usual), paying them in April for orders they wouldn't start making for a few months, so they had access to capital in the most critical time of the emergency. In 2020, Fair Anita generated income for women employed by our primary artisan partners in the following countries:
 - India: \$196,565.84 (15% decline from 2019, subsidized with donations)
 - Cambodia: \$66,246.35 (62% growth over 2019)
 - Peru: \$35,835.42 (3% growth over 2019)
 - Ethiopia: \$24,590.69 (49% decline from 2019 due to payment cycles)
 - Egypt: \$13,791.79 (40% growth over 2019)
 - Mexico: \$13,182.26 (stable with 2019 numbers)
 - Vietnam: \$12,894.18 (64% decline from 2019 due to payment cycles)
 - Chile: \$9,825.75 (40% decline from 2019, due to border closures)
 - South Africa: \$4,789.40 (23% growth over 2019)
 - *Total sent to artisan partners: \$377,721.68 (14% decline from 2019, but subsidized with an additional \$75,000 sent as donations)*
- **Impact of selling products on improving the lives of artisan partners.** These jobs provide a path to economic independence for at-risk or marginalized women.
 - **Providing sustainable jobs.** We are committed to longevity, continuity and reliability in our fair trade relationships. These characteristics allow our artisan partners to be forward thinking in a number of ways, including employing additional artisans.

- 30% of artisans reported that working with Fair Anita has allowed them to employ additional artisans. This number is lower than previous years as a result of the pandemic.
- **Increasing organizational capacity.** Our artisan partners strive to produce more than fair trade goods, they seek to create stable and inspiring opportunities for women in society. By paying artisans fair wages and committing to long-term partnerships, we support artisan groups' work to invest in production and organizational development simultaneously.
 - Artisans report growing capacity, creating more jobs, and educating clients as their goals for the future. We are committed to helping our partners realize those goals.
- **Improving women's status in the community.** We believe that investments in women are investments in the community. The results of employing groups of women with fair wages and long-term opportunities spread beyond the artisan cooperatives themselves.
 - 100% of artisan groups strongly agree that fair and sustainable jobs improve women's status in their community.
 - 90% of artisan groups agree that economic opportunity is essential for women experiencing domestic abuse.
 - This year, artisans reported a strong desire to focus on their ability as cooperatives to support their neighbors and community through the pandemic (and economic implications). We are committed to supporting artisan partners in making this goal a reality.
- **Maintaining responsive and accountable partnerships.** Meeting and exceeding artisan partner's needs is our primary motivation. We strive to provide open communication and responsive behavior in all of our partnerships, and our artisan partners know this about us.
 - On average, artisan groups indicated being "strongly satisfied" with the current state of our fair trade relationships.
- **Artisan testimonials**
 - "We are heartily thankful to Fair Anita, with the fact that during the last difficult months, your orders have immensely contributed and were the lifeline for all of us." – India
 - "The relationship with Fair Anita is excellent because we feel like a part of the company. As artisans, we are always giving our best because we also feel understood as human beings." - Mexico
 - "I am happy to be a part of the artisan group in Chimbote, Peru. We have all learned to make jewelry and, above all, to motivate ourselves to be entrepreneurs. It is my joy to be part of Fair Anita, which gives us an opportunity to grow and improve our lives because here in Peru people with disabilities don't get a fixed job, and Fair Anita pays us fairly. Despite the pandemic and economic hardships our community is going through, we have received help. Our artisan group, our families, and our Chimbote community is so grateful. You can see this gratitude reflected in our work, which we do with love and dedication. Thank you very much Fair Anita—wishing you many successes and blessings." - Peru
 - "With support and purchases from Fair Anita, we manage to continue to employ workers in 3 provinces total of 140 families and workers. It is such a special blessing for our team that we need work to do and they can work from home during the pandemic lock down. This means so much for us during the difficult times. We are so grateful for strong partnership and

commitment of Fair Anita team. On behalf of our artisans and workers, I would like to thank you so much for the support and collaboration, this means so much for us that our cooperative can fulfill the need to marginalize and disable to continue jobs for their daily life." - Cambodia

- "We have a long-standing relationship with Fair Anita and are very happy working with them. This company has been sending orders which have increased its quantity over time since it started working with us for more than 6 years now. It is easy to communicate and get a response from them, by ordering from us they helped us to empower more women living with HIV/AIDS. It is truly a great pleasure working with them, their orders not only benefit the organization but also the women who are directly working with us. On this occasion, we would like to thank Joy, the owner of Fair Anita." – Ethiopia

- **Impact of selling products for our customers.** Fair Anita successfully marketed and sold products to customers in 50 states in U.S. and Canada in 2020. In early 2021, we conducted a mixed-methods survey to measure our progress in pursuit of mission. The survey results show that we successfully engaged with our target demographic in 2020 and communicated our mission to customers. We also used our online analytic data to provide these results.
 - **Reaching a younger demographic.** The majority of our customers are under the age of 35, indicating our client base is significantly younger than the average fair trade demographic (women 50-75). We continue to sell our products to people of all ages, but our sales records show that our goal of engaging a younger market in fair trade has been successful in 2020.
 - The largest age group of survey respondents was women 25-34 (28%), the second largest women 35-44 (23%), and the third largest women 45-54 (16%). According to our Google Analytics data, 31% of all website visitors in 2020 were between the ages of 25-34, followed by women ages 35-44 (18%) and 45-54 (16%).
 - **Selling fair trade goods at an affordable price point.** 94% of survey respondents say that our price point is "just right." Other options included "too high" and "too low." Our average product price is currently \$20 retail.
 - **Competing with free market firms.** 65% of participants purchased Fair Anita products as substitute goods that they would otherwise purchase in the free market, meaning they chose our mission-based product over other options.
 - 27% of survey respondents purchased Fair Anita products as an act of philanthropic giving, meaning they potentially purchased the product solely because of the associated mission.
 - **Reaching new customers.** About 60% of our customers in 2020 were new to Fair Anita.
 - We grew our social media following online from January 2020 to December 2020.
 - Facebook: 2285 to 3100
 - Instagram: 5011 to 6648
 - We partnered with new retailers to get Fair Anita products to a wider audience.
 - Wholesale partners increased from 600 to 675
 - 99% customers say they are likely or very likely to recommend Fair Anita to a friend

- This year, just 6% of our revenue was generated at pop-up shops, 23% through Purchase Orders and trade show purchases with our wholesale partners, and the remaining 71% done online (both retail and wholesale). It was the year of e-commerce, for sure!
- **Communicating our mission as a social enterprise.** While our customers purchase our products for a variety of reasons (price, design, mission, convenience, etc), it is clear that they are aware of our mission.
 - About 80% of our entire customer demographic understand the term "fair trade." 88% of our online survey respondents understood this term, likely proving that we do a better job of educating customers online vs in person. This number is higher than it has been in past years, likely because nearly 100% of sales happened online.
 - 95% of survey respondents are more likely to purchase a product if they know it is fair trade.
- **Customer testimonials**
 - "I've been hooked on the Fair Anita mission, business model, communication style, ethical leadership, and products for 4+ years--but I am consistently impressed in new ways by the ways you tell your story and build growth/impact with intention. I am just really inspired by and grateful for social changemakers and business leaders like you! Thank you."
 - "Love the changes you've implemented that directly respond to the COVID pandemic & supporting your global partners!"
 - "I came across Fair Anita through a friend's social media post -- and y'all have quickly become one of my favorite stores! (and one of the only shops whose emails I regularly open, whose insta stories I watch all the way through, and who I LOVE sharing more about when I get earring compliments :)) Thank you for inviting all of us to be a part of the change Fair Anita is leading!"
 - "Love your designs, quality, mission, variety and price point. Seriously, can't beat you on any single point and to have them all, you are a brand I continue to come back to and always will."
 - "I love your curated items so much. Price point is affordable. Cause and mission so meaningful."
 - "Thanks for doing the work that you do! I would much rather buy goods from an organization that makes a difference!"
 - "I love the products. I love the mission. As a former domestic abuse advocate, I'm in favor of helping women support themselves in ways that are rewarding financially and artistically."
 - "Your designs are so unique and cool and that's what drew me in...the fact that the prices are so reasonable AND it benefits a good cause were great bonuses!!!!"
 - "Unbeatable customer service."
 - "I love giving as a gifts: I love that a card can be included and that the information of the values of the company are included."
 - "I've noticed you are intentional with a larger diversity of models in your photos - props to you all for that."

- "You guys are awesome! I love that your mask proceeds were 100% given back. I was happy to support that as well."
- "I appreciate what you do, and I appreciate that you offer beautiful and affordable products with an important mission. Thank you for existing!"

By increasing capacity.

- **Impact of capacity building with attracting new markets to increase sales.** Fair Anita provides consultation to artisan partners on product designs, creating products that are more likely to appeal to younger US consumers. Nationally, this is a new and emerging market for fair trade, as fair trade products are traditionally sold to women ages 50-75. Because Fair Anita is able to help artisans create jewelry for a younger demographic, they're able to sell more product; both to their typical fair trade retailers with their traditional designs, and to new fair trade partners (including Fair Anita) with the younger, trendier designs. According to leaders from 8 of our artisan partners, this opened up a totally new demographic, allowing them to increase production and sales.

A note on measuring impact.

- We understand that the women we are working with are capable, competent people, who, like all women, are trying to create better lives for themselves and their families. We cannot (and should not) attribute all of their successes solely to the opportunities that Fair Anita has created, as they are likely exploring multiple approaches to improve their livelihoods. Some of the language we've used above (including our stated mission) is the legal terminology needed for this legally-binding report. We used a mixed methods approach, gathering both qualitative and quantitative information, to determine the impact of Fair Anita. Some of our artisan partners work with other distributors for their products, so often times, the impact in artisans' lives can be attributed to more than one organization. That being said, we're proud to contribute to the happiness, safety, income stability, and respect that these women are achieving.

Strategic Directions for 2021

In order to scale Fair Anita sales and impact, we've determined the following goals for the next year:

- **In-house fulfillment and customer-facing location.** We've decided to take our fulfillment back in-house in the new year, allowing us to control the customers' full experience and have a better handle on inventory management. Additionally, because of the success of our Fair Trade Holiday Market pop-up in 2020 and the lack of pop-up events, we realized we wanted a physical location that customers could visit us at.
- **Inventory management controls.** With the expertise of 2 full time staff members, our Board of Directors, and learnings from cohorts in 2020, this is the time to really implement our inventory management controls. Our goal is to have nonstop consistent orders will all artisan partners with reasonable amounts of inventory on-hand, while minimizing shipping requirements as to prioritize sustainability. As this goal is fully-realized, we will have continue to have a better handle on cash flow, too!
- **Canadian and European distribution.** As we grow our number of retail partners, we have seen the need to ease some of the bottlenecks (shipping/customs) in our international shipping supply chains. We're planning to partner with distribution centers in Canada and Europe to be able to expand to more retail partners abroad.

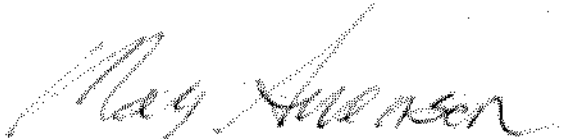
- **Focus on environmental sustainability.** We've been doing this since day 1, but we want to make sure it's communicated as a highest priority of our brand. We're working to become a carbon negative company, and we want to see upwards of 80% of our product materials made from recycled materials. We are improving all processes to become more environmentally friendly, especially our packaging and shipping. We've been working to create biodegradable/compostable transparent bags for shipping (as many countries require individual packaging for export), and we aim to have this task completed in 2021.
- **Assist other mission-driven businesses in their launch and growth.** We are starting to develop some online materials for early-stage entrepreneurs to use to help them start new social enterprises. This was a goal for 2020, but got put on the backburner with the pandemic. We'd love for all business to be mission-driven business, and we believe it's partially our responsibility to help make this a reality!

CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all of the directors of Fair Anita, hereby acknowledge and certify that we have reviewed and approved the enclosed Sixth Annual Report.



Joy McBrien, CEO & Founder



May Swenson, Board Member



Jeanne Voigt, Board Member



Work Item 1222795000038
Original File Number 803434900058

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
03/11/2021 11:59 PM

Steve Simon

Steve Simon
Secretary of State