



DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.

DISCLOSURE QUESTIONNAIRE

Company Name: Zay Limited
 Date Submitted: 06/13/2022

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries		✓
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries		✓
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	✓	
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Zay Limited

UPDATED AS OF:

06/13/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Operation in Conflict Zones
TOPIC	Zay Limited derives their products from operations based in conflict affected areas of Myanmar
SUMMARY OF ISSUE	<p>Zay Limited works with underserved weavers around Myanmar, based in Mandalay and small rural villages, who handweave market bags from their homes to sell to the company in New Zealand.</p> <p>Myanmar has experienced political nature conflicts since early 2021. The situation was classified as a medium-intensity conflict by World Bank in 2022.</p>
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	100% of Zay's purchases (cost of goods sold) comes from Myanmar.
IMPACT ON STAKEHOLDERS	<p>As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.</p> <p>The security of company workers and suppliers who work in such areas could also be at risk.</p>
IMPLEMENTED MGT PRACTICES	<p>Zay claims to know all its Tier 1 weavers and has made contact with Tier 2 suppliers of tape to ensure no military connections or financial ties. Zay visits twice a year their Tier 1 suppliers and verifies all tiers of its supply chain.</p> <p>New Zealand has military-targeted sanctions in place against the Myanmar military-run government to ensure it is not involved in funding or supporting the military in any way. Zay's bags are able to be shipped to New Zealand, with accompanying financial currency transactions. This illustrates that Zay's suppliers and trading activities are exempt from New Zealand's military-specific sanctions.</p> <p>Zay has a Conflict Zone Policy outlining their commitment to supporting weavers in Myanmar as long as:</p> <ol style="list-style-type: none"> 1. Weavers and their families are not put in danger due to working with, or associated with, an international company like Zay; 2. New Zealand Government or the United Nations (UN) does not apply trade sanctions that would be applicable to Zay's activities; 3. Zay, within its own current business model, can continue to follow the UN's Guiding Principles on Human Rights.

B Corp Certification - Disclosure Questionnaire Documentation

DISCLOSURE QUESTIONNAIRE CATEGORY	Operation in Conflict Zones Cont.
OTHER MANAGEMENT COMMENTS	<p>At the core of Zay's business and mission statement is working with underserved suppliers and helping ensure their economic & financial wellbeing. That is why they are committed to continuing to work in Myanmar in spite of the recent military activity in the region, which is outside the control of our suppliers. Zay's activities help provide financial certainty to our suppliers in these times which is much needed.</p> <p>Zay will not, under any circumstances, work with any supplier, organisation or party that has any links or benefits with the military in Myanmar.</p> <p>Zay understands the dangerous environment for the Myanmar population to speak out against the military and actions are taken to minimise any risk. To minimise this risk, weavers are encouraged to raise any concerns verbally with the Myanmar Operations Assistant who works closely with Zay's Director. Otherwise, they can raise concerns directly with Zay's Director via Signal, an encrypted & available app.</p> <p>They continue to monitor the situation closely and if a visa is granted, Zay's Director intends to visit all suppliers and their Myanmar-based employee this year 2022 to check in person.</p>