



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: Happy Family Organics
Date Submitted: 08/04/2022

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:

Happy Family Organics

UPDATED AS OF:

08/04/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Other Disclosures - Presence of heavy metals in baby food products
ISSUE DATE	2018 to 2022
TOPIC	Nurture, Inc. (Happy Family Organics) was one of 7 baby food companies named in a report by the House Subcommittee on Economic and Consumer Policy regarding heavy metals in baby food products. Following the publication of the report, several lawsuits were filed against the company regarding the presence of heavy metals in their products.
SUMMARY OF ISSUE	<p>In 2019, the Subcommittee requested information about baby food products sold by Nurture, Inc. and six other companies, including information about the existence of inorganic arsenic, lead, cadmium, and mercury in the products. In its response, Nurture explained that the amount of these elements in baby food is determined largely by the naturally occurring levels in the vegetables, fruits and grains when they are harvested, its approach to metals in ingredients, and its efforts to reduce levels of metals over time. These metals are naturally occurring in the environment and are not added by Nurture, Inc. to its products and they cannot be extracted from ingredients. Nurture also produced finished product testing to the Subcommittee. In February 2021, the Subcommittee issued its report regarding heavy metals in baby food products from 7 of this country's largest baby food companies, including Gerber, Beech-Nut, Hain, and Nurture, Inc. Nurture strongly supports the FDA's Closer to Zero action plan's goal of reducing the levels of naturally occurring elements in baby foods to the greatest extent possible.</p> <p>Beyond that, since 2018, Nurture and other manufacturers were named in putative consumer false advertising class actions alleging violations of various state consumer protection statutes given the presence of naturally occurring, trace levels of heavy metals in baby food. A suit was brought against several baby food manufacturers by the New Mexico Attorney General alleging consumer protection violations and other claims arising from the presence of trace levels of heavy metals in baby food. In addition to those, a lawsuit was filed alleging violation of California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code § 25249.6 (Proposition 65).</p> <p>Individual cases alleging injury from trace levels of heavy metals in baby food have also been filed against multiple manufacturer defendants.</p>
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # d d ffects)	This topic is an industry-wide matter for the baby food industry as these elements are ubiquitous in the agricultural environment.
IMPACT ON STAKEHOLDERS	When trace elements like inorganic arsenic, lead, cadmium, and mercury are consumed over long periods of time in excessive quantities they can have adverse health effects. The FDA acknowledged as recently as April 8, 2021 that its own testing "shows that children are not at an immediate health risk from exposure to toxic elements at the levels found in foods (...)



B Corp Certification - Disclosure Questionnaire Documentation

DISCLOSURE QUESTIONNAIRE CATEGORY	Other Disclosures - Presence of heavy metals in baby food products Cont.
RESOLUTION	<p>In 2018, a complaint was filed against multiple defendants pursuant to California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code § 25249.6 ("Proposition 65"). Nurture was dismissed from the lawsuit on January 27, 2022.</p> <p>In 2018, a complaint was filed pursuant to California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code § 25249.6 ("Proposition 65"). The case was dismissed on September 25, 2019. All the other cases regarding this matter are pending.</p>
IMPLEMENTED MGT PRACTICES	In the absence of federal standards, Nurture Inc. develops its own testing levels and goal levels for trace elements based on leading laws, regulations, and guidance from the U.S. and around the world, its surveillance of the marketplace for both finished products and raw ingredients, and its food scientists' assessment of what is feasibly achievable in the available supply of ingredients. The company only sets testing or goal levels that it believes are safe for the children who eat its foods.
REPORT	<p>Congressional report https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-02-04_20ECP20Baby_20Food_20Staff_20_report.pdf</p> <p>Nurture Inc.'s Quality and Safety Practices: https://www.happyfamilyorganics.com/quality-and-safety-of-our-products</p> <p>FDA's Action Plan for Reducing Exposure to Toxic Elements from Foods for Babies, Young Children: https://www.fda.gov/news-events/press-announcements/fda-releases-action-plan-reducing-exposure-toxic-elements-foods-babies-young-children</p>
MANAGEMENT COMMENTS	Nurture, Inc. respectfully disagrees with how the Subcommittee interpreted and characterized much of the data in its report. Nurture, Inc. remains committed to its mission to "change the trajectory of children's health through nutrition, both with respect to its products and its actions as a company. Nurture, Inc. fully supports the FDA's "Closer to Zero Action Plan, which seeks to develop the first set of science-based federal standards to reduce heavy metals in young children's food, and will take all actions required to ensure that its baby food products meet those levels.



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Happy Family Organics

UPDATED AS OF: 08/04/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Litigation and Arbitration
ISSUE DATE	November 2021 and April 2022
TOPIC	Consumer class action lawsuits alleging deceptive practices regarding nutrient claims
SUMMARY OF ISSUE	Two consumer class action lawsuits were filed against Happy Family Organics products. The allegations include claims that certain products are misleadingly advertised as healthy and that certain nutrient claims on certain products are improper.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of affected)	The proposed class represented in the litigation is purchasers of Happy Family Organics in California.
IMPACT ON STAKEHOLDERS	The complaints accuse the company of misrepresenting the product as healthier than other food products for children and toddlers.
RESOLUTION	The litigations are currently pending.
IMPLEMENTED MGT PRACTICES	The company claims that the challenged statements are statement of facts and are being vigorously defended as they are truthful.
REPORT	Complaints are publicly available: Sanchez v. Nurture, No. 5:21-cv-08566 (N.D. Cal.) Thomas v. Nurture, Inc., No. 4:22-cv-02501-JSW (N.D. Cal.).