

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: Firsthand Foods
 Date Submitted: May 10, 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:

Firsthand Foods

UPDATED AS OF:

May 10, 2022

| | |
|--|--|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Animal Products and Services |
| TOPIC | Company sells and distributes meat and animal products. They pay processors to slaughter and fabricate meat, and sources >50% of their raw material expenses from animal products |
| SUMMARY OF ISSUE | Firsthand Foods sources from multiple small-scale family farmers who all raise their animals outdoors on pasture. The company prohibits the use of growth-promoting antibiotics or other growth hormones. Some of the meat, for example, the hogs are fed only non-GO feed that the farmers raise themselves. The meat sourced from these farms include pork, lamb and beef. |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | Acres differ by species but range from 10 to 1000. Beef cattle are stocked at approximately 1 cow/calf pair per 2.5 acres. Hog producers raise no more than 250 hogs a time or 500 hogs per year. The company sources from 35 farmers all of whom reside within the state of NC with the exception of one who is just over the border in Virginia. |
| IMPACT ON STAKEHOLDERS | Firsthand Foods visits their beef farms and observes animal behavior. Their lamb and pork farmers are audited by Animal Welfare Approved. The company also addresses any concerns that arise at their processing partners. |
| IMPLEMENTED MGT PRACTICES | The company has not set any targets/KPIs on animal welfare, however they do work with Animal Welfare Approved (AWA) as a third party certifier for their pork and lamb. |
| REPORT | The industry standard for animal production in the US is large-scale, confined feeding operations that raise serious animal welfare and environmental concerns. This company is trying to provide an alternative to the large -scale farmed meat. |