



## 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: Exquisite Crystals  
Date Submitted: 06/26/2023

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:

Exquisite Crystals

UPDATED AS OF:

06/26/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Suppliers in Conflict Zones
<b>TOPIC</b>	The company sources raw materials from The Republic of the Congo
<b>SUMMARY OF ISSUE</b>	<a href="#">Exquisite Crystals</a> is based in Washington, USA and sells crystals, minerals, and artisan-made jewelry. The company has one supplier from The Republic of Congo, considered a conflict-affected area by the World Bank. The supplier is a small family-owned business of miners that travel to the US and import collectible stones that do not qualify as precious or semi-precious gemstones and/or metals directly from the Congo.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	In the last fiscal year, 0.4% of the company's cost of goods sold were from suppliers operating in conflict zones.
<b>IMPACT ON STAKEHOLDERS</b>	<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 who work in such areas could also be at risk.</p>
<b>MANAGEMENT PRACTICES</b>	<ul style="list-style-type: none"> <li>The stones purchased by the company are not certified by a third party but has a Supplier Code of Conduct that defines standards for fair, healthy, and safe working conditions. Although the company has searched for a third-party certification organization that could validate their Supplier Code of Conduct is being met, existing organizations or verification schemes are focused on commercial/industrial operations or production of gold and precious stones on a larger scale; eg. as the minerals do not have an industrial value they are not able to be Certified Fair-Trade. In the absence of a third-party verification method, the company has generated long-term relationships with Tier 1 small-scale miners that permit greater visibility of their practices and offer a greater level of confidence in the information provided.</li> <li>The company has been working with its vendors to ensure that they understand the importance of adhering to the company's Supplier Code of Conduct. Exquisite Crystals understands the importance of fair, safe, and healthy working conditions, and is committed to working with its vendors to ensure that they comply with our Code of Conduct and share our values. Exquisite Crystals has committed to formally capture and record all suppliers' compliance with the Code of Conduct starting in the next US trade show.</li> </ul>



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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Industries at risk for human rights violations
<b>TOPIC</b>	The company sells crystals, minerals, and artisan-made jewelry
<b>SUMMARY OF ISSUE</b>	Exquisite Crystals purchases crystals and minerals to produce its artisan-made jewelry. By the nature of the supply chain associated with those materials, there is a higher risk of encountering social issues in their supply chains, as these resources are often sourced associated with human rights violations, money laundering, and contributions that fund armed conflict (directly or indirectly), which are material risks present in the industry.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>In fiscal year 2022, 100% of the company's revenue was earned from the sale of its jewelry.</p> <p>Among the company's tier 1 suppliers, 28% are small-scale miners and 72% are individual collectors/distributors.</p>
<b>IMPACT ON STAKEHOLDERS</b>	The sourcing of crystals and minerals poses risks such as human rights violations, armed conflict, and money laundering, as these materials might come from areas of conflict and exploitation. Child labor and exploitation are other related risks to sourcing crystals and minerals.
<b>MANAGEMENT PRACTICES</b>	<ul style="list-style-type: none"> <li>The company has a formalized Supplier Code of Conduct that addresses the following categories: law and code compliance, child and forced labor, harassment and abuse, discrimination, freedom of association and collective bargaining, employment relationship, wages and benefits, overtime wages, hours of wage, health and safety, environment, community, subcontracting, animal welfare and traceability. <ul style="list-style-type: none"> <li>Currently, Exquisite Crystals is able to demonstrate that 28% of their suppliers have signed the company's Supplier Code of Conduct.</li> <li>The company is formally committed to having 100% of our suppliers sign the Supplier Code of Conduct by their next purchasing cycle in February 2024.</li> <li>Exquisite Crystals shared that the main challenge to increasing the % of suppliers that have officially signed the Supplier Code of Conduct is language. To address that, the company is in the process of translating its Supplier Survey and Supplier Code of Conduct into five additional languages.</li> </ul> </li> <li>Exquisite Crystals shared that the traditional mining certification organizations are designed for commercial/industrial operations or the production of gold and precious stones. Additionally, other verification schemes were not suited to the size, scale, and type of minerals that the company focuses on. The company reported that for this type of materials used by the company (crystals and minerals), there simply is not a traceability mechanism that can track the materials from the source of extraction to the purchase.</li> <li>The company partnered with <a href="#">Eden Reforestation Projects</a> to fund work for every item sold. Eden provides economic incentives and simple planting techniques to support local communities in restoring their local environment and economy. This partner was chosen because most of their projects occur in localities where the company sources its minerals.</li> </ul>