



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: Silk Grass Farms Ltd
 Date Submitted: 16 Sep 2021

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:

Silk Grass Farms Ltd

UPDATED AS OF:

16 Sep 2021

DISCLOSURE QUESTIONNAIRE CATEGORY	Facilities located in sensitive ecosystems
TOPIC	Company has facilities located adjacent to three important conservation areas in Belize
SUMMARY OF ISSUE	Company has facilities located adjacent to three important conservation areas in Belize (the Cockscomb Basin Jaguar Preserve to the south, the Sittee River Protected Area to the west, and Bocawina Mayflower National Park to the north). The entire property (27,500 contiguous acres) has been designated as "The Silk Grass Wildlife Preserve" by the Government of Belize. Their northern, western and southern neighbors are "protected lands" or national parks. The farm operations are located on the easternmost edge of the property.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Less than 10% of the 27,500 acre property is actively in use. The remaining 90% is permanently protected by the parent company, the Silk Grass Wildlife Preserve.
IMPACT ON STAKEHOLDERS	The environmental risks that their farm and processing operations pose center around water.
IMPLEMENTED MGT PRACTICES	<p>The company chose to situate the new processing plant at the easternmost edge of the property, at the farthest possible distance from our neighboring wildlife preserves.</p> <p>SGF's operations are downhill and downstream from the national parks and protected areas to their north, south and west. The 24,000+ acres that they have designated as "preserve" are the buffer between farm operations and those sensitive and protected ecosystems. SGF are aware that farm operations could theoretically impact the village of Silk Grass, 2 miles to our east.</p> <p>When the company bought the property, the processing plant (for coconut oil and water) was located right in the village of Silk Grass (2 miles from the farm entrance). The company constructed a 4-stage water treatment system (none existed previously) to stabilize and oxygenate wastewater in compliance with standards set by the Belize Department of Environment. They are in the process of building a state-of-the-art facility 2 miles from the village and just inside their farm's property, with an estimate completion of Dec 2021. A thorough EIA of this facility, including wastewater treatment, was conducted by the civil engineering firm Tunich-Nah Consultants and approved by the Belize Department of Environment in 2020. None of their operations will be conducted either near a village or near sensitive ecosystems.</p> <p>The company has implemented mitigation effects such as slowing, spreading, storing and sinking of excess rainwater over a dozen newly constructed water retention basins; monitoring groundwater levels in 8 measuring stations around the farm; planting riparian buffers; establishing regenerative farming practices [including Integrated Pest Management; no-till or low-till cultivation; planting of cover crops and native grasses; agroforestry, combining tree crops with native hardwoods]; construction of a biorefinery to pyrolyze and upcycle bio waste into useful soil amendments; and construction of new wastewater treatment ponds.</p>

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UPDATED AS OF:

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DISCLOSURE QUESTIONNAIRE CATEGORY	Disclosure Environmental Impact
TOPIC	Biodiversity Impacts
SUMMARY OF ISSUE	Water is an intrinsic part of making malt as the first production stage is to steep the raw barley in water for some 16 hours during which the water needs to be changed at least once and sometimes twice. This accounts for the vast majority of the company water consumption with the remaining small percentage being for hygiene operations and some lab/domestic use.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The majority of water used is either abstracted from groundwater through a borehole or recycled through their water treatment & Reverse Osmosis facility. The company uses 2.61 m3 per tonne of malt produced. The company does not operate in a water stressed area.
IMPACT ON STAKEHOLDERS	Water as a natural resource is prone to water scarcity and water quality impacts as a result of manufacturing operations.
IMPLEMENTED MGT PRACTICES	<p>The company has invested in a water treatment plant to enable safe discharge back to the environment and to recycle some of the water they use through Reverse Osmosis, reducing the impact they have on the local demand for water.</p> <p>They implement the following process:</p> <ul style="list-style-type: none"> - Solids removal through screening - Biological aerobic treatment to reduce COD - Solids/sludge removal - Ultrafiltration to remove solids - Discharge to estuary. - A portion of the ultrafiltered water is filtered again through reverse osmosis so it can be reused. <p>The company has invested in a hydrogeologist to assess sustainability of the aquifer at the Tweed Valley site. The outcome of this was to invest in capital plant to double water recycling capacity to allow them to reduce water abstraction below the level at which it is judged to be sustainable. As part of their sustainability strategy, they have outlined key targets and plans to support the use of water resources in the business and to effectively manage that use. They have invested over the past few years in introducing RO (Reverse Osmosis) plants at their main sites to recycle and reuse the water that they initially extract from boreholes. They are targeting 60% of their water usage to be RO based. They are continually looking at the malting process and improving the technology to make the key processes that use water, namely steeping barley, more efficient. These plans are in place and are being monitored and managed regularly at monthly meetings.</p> <p>The company does not conduct an assessment of how it compares with others in their industry in terms of water usage and/or management.</p>