



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: Ziba Foods
Date Submitted: 10/14/2022

| 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:

Ziba Foods

UPDATED AS OF:

10/14/2022

| | |
|--|--|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Environmentally Intensive Industries |
| TOPIC | Biodiversity Impact |
| SUMMARY OF ISSUE | <p>As a manufacturing company that sources directly from farmers, Ziba Foods operates in an industry in which biodiversity impact is a material environmental issue. They source a variety of seasonal nuts and dried fruits such as Mulberries, Almonds, Apricots, Pistachios, Figs, Walnuts, Raisins, and Licorice directly from farmers in Afghanistan.</p> |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | Approximately 100% of supplier expenses come directly from farms. |
| IMPACT ON STAKEHOLDERS | <p>Agriculture poses a risk to local ecosystems of flora and fauna as well as the potential degradation of cultivated land. Forestry and wild harvesting can limit the negative impact to local stakeholders.</p> |
| IMPLEMENTED MGT PRACTICES | <p>"The company partner with International Trade Center (ITC) on the ""Sustainable Supplier Afghanistan Program"" where capacity building & training are provided to the suppliers to support and improve their compliance with ethical production and quality of product to achieve either Organic (USDA/EU) or food safety compliant. They work directly with small scale farmers and cooperatives to source their products, many of which, like pistachios and mulberries, are grown wild without active cultivation. These products are foraged and gathered at harvest time by local communities.</p> <p>The company provides transparency and traceability of the farms from which they source on their website here: https://www.zibafoods.com/farms-co-ops/#map They batch track and trace their products back to the farm where they were grown. They are committed to sourcing only directly from Afghan farmers and village level cooperatives whenever possible.</p> |



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|--|---|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Environmentally Intensive Industries |
| TOPIC | Water Intensive Industries |
| SUMMARY OF ISSUE | As a manufacturing company that sources directly from farmers, Ziba Foods operates in an industry in water intensive industries. They source a variety of seasonal nuts and dried fruits such as Mulberries, Almonds, Apricots, Pistachios, Figs, Walnuts, Raisins, and Licorice directly from farmers in Afghanistan. |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | Approximately 100% of supplier expenses come directly from farms.. |
| IMPACT ON STAKEHOLDERS | As a water intensive industry, agriculture poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. |
| IMPLEMENTED MGT PRACTICES | <p>Unlike the industrial fruit and nut farms of central California and elsewhere in the United States, water is not a subsidized & commercial commodity in Afghanistan; farmers in Afghanistan are dependent on the natural sources of water which are available to them from mountain runoff from the Hindu Kush range in the north of the country (via the Amu Darya river), and on rainfall. They are naturally incentivized to conserve these resources to the extent that technology is available - in Afghanistan, there is no modern technology that would allow for meaningful improvements in water management. As such, water resources are managed using the same methods (e.g. karez subsurface tunnels and canals which are gravity-fed) that have been used for thousands of years.</p> <p>The company did consider the use of water management systems or small-scale family farms, to be the best way of sustainably managing water resources in lieu of modern technology which, even if it were available in Afghanistan, would not be able to be maintained properly due to the lack of spare parts and technical expertise among the population. Many donor projects in this area have been attempted over the years, and most have failed.</p> |



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|--|---|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Operation and Suppliers in Conflict Zones |
| TOPIC | Ziba Foods derives their revenue from operations based in conflict affected areas of Afghanistan. |
| SUMMARY OF ISSUE | Ziba Foods produces and sells dry fruits and nuts. Their operations and supply chain is 100% based in Afghanistan. Afghanistan has experienced political nature conflicts since 1978. The country is classified as a conflict zone by World Bank. |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | The company derived 100% of its revenue from projects in conflict affected areas in 2021. |
| 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 who work in such areas could also be at risk.</p> |
| IMPLEMENTED MGT PRACTICES | <p>The company has a Standard Operating Procedures Policy designed to provide security guidance to guards working for Ziba Foods. Their internal security policy establishes the presence of security/guard force within the factory premise to protect all personnel and equipment within the factory 24 hours. The guards are hired through a 3rd party security agency and they are required to go through a background check and professional training. Ziba Foods' security policy also establishes procedures to situations of emergency.</p> <p>All their suppliers are screened against the U.S. Treasury Department's list of Specially Designated Nationals to ensure that company's purchases are not tied to any conflict groups. The company has an anti-bribery policy in compliance with the U.S. Foreign Corrupt Practices Act (FCPA). The policy also highlights that political contributions are not allowed.</p> |