



B Lab Statement on New Ground Group's B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies operating in or selling to the prison industry, including companies utilising prison labour:

B Lab and its independent Standards Advisory Council have determined that companies operating in the prison industry are ineligible for B Corp certification. In addition, companies in the U.S. and Canada who sell to prisons, including companies that use prison labour, are placed under an indefinite certification moratorium and are not eligible for B Corp Certification.

B Lab and its independent Standards Advisory Council have determined that, outside of the U.S. and Canada, companies selling to the prison industry, including companies using prison labour, are eligible for B Corp Certification if they have not engaged in specific prohibited practices in the last five years AND are meeting additional industry specific practice requirements.

As a Certified B Corp that utilises prison labour, New Ground Group is required to disclose a summary of how it complies with these industry requirements. For more information on the specific requirements, please refer to B Lab's statement on companies operating in or selling to the prison industry [here](#).

Summary of Company

New Ground Group is a wholesale coffee roaster and coffee shop based in Oxfordshire in the United Kingdom. Since 2019, the company has worked with 3 people from a local [Category D prison](#)¹ on '[Release on Temporary Licence](#)' (ROTL) at their premises.² This represents 20% of the current workforce. Workers from the prison are trained up on coffee roasting duties and operations and work from Monday to Friday, 09:00 - 17:00, with a 30 minutes paid lunch break as well as other paid breaks. Their main duties include picking and packaging bags of coffee

¹ Category D prisons are often referred to as Open Prisons, and inmates are permitted to leave the premises (after official approval) at certain times.

² Release on Temporary Licence is a system in the United Kingdom that allows certain incarcerated people to temporarily leave the prison to engage in certain activities such as paid or unpaid work.

under the guidance of the production manager. New Ground does not only work with workers who are interested in a future career in the coffee industry, rather they are building a programme to provide individuals with experience and training that will benefit them in a variety of industries post release.

New Ground Group's Disclosure on Prohibited Practices

Companies selling to the prison industry, including companies using prison labour, that have engaged in the following practices in the last five years, as demonstrated through company disclosures or through material, justified, and unresolved stakeholder concerns, are currently ineligible for B Corp Certification:

- *Companies that contribute to the construction of new prisons or supply products and/or services designed to restrain or subdue people who are incarcerated, inflict harm or potentially used to inflict harm on people in prisons or other individuals, etc. are currently ineligible for B Corp Certification.*
- *Companies engaged in any form of lobbying or policy advocacy that directly or indirectly support mass, or increasing rates of, incarceration or prevent reform attempts to reduce incarceration. This includes membership, Board involvement, or funding of industry associations that engage in such lobbying activities.*
- *Companies with material, justified, and unresolved complaints about product quality, product price and/or work conditions for people in prisons.*

New Ground Group does not engage in any form of lobbying or policy advocacy that directly or indirectly support mass, or increasing rates of, incarceration or prevent reform attempts to reduce incarceration. The company does not have any material, justified, and unresolved complaints about product quality, product price and/or work conditions for people in prisons.

Required Best Practices

In order to be eligible, companies selling to the prison industry, including companies using prison labour, must be able to demonstrate that they have the following practices in place and disclose them on their B Corp Profile:

1. *A transparent mechanism to measure the impact of its products, services, policies and/or activities on reducing recidivism and outcomes for people in prisons and proof of positive impact deemed rigorous as a result of, for example, third party assessment and/or existing primary research.*

To measure the impact of its services on reducing recidivism and outcomes for people in prisons, the company provides a work readiness questionnaire to their prison workers at the end of their employment, which generally coincides with the end of their incarceration period. Employment opportunities at the company are limited by the prison worker's chosen release area which may be geographically distant to New Grounds' operations. The company has follow up calls in with the ex employees from the prison at 3, 6, and 12 month intervals to check on progress in line with their objective of 'No Re-offending'.

Where an ex-offender remains with NewGround post release, they receive monthly 1-2-1's with their line manager, as standard with any other employee at NewGround. To date, none of the three prison workers that have been in their employment have been re-incarcerated, resulting in a 100% success rate for the company. In the UK, where the company operates, current statistics shows that 57.5% of people that were formerly incarcerated reoffend within a 12 month period.

2. *A public stance against mass, or increasing rates of, incarceration and other material issues related to the prison industry, approved by the highest level of governance (e.g., Board of Directors) within the company, and a commitment to making efforts towards collective action and/or engagement with stakeholders, focused on improving how people who are incarcerated are viewed and treated before, during and after incarceration.*

In alignment with the requirements and principles stated in B Lab's position statement for companies that work with prison labour, New Ground Group has the following philosophy in regards to mass incarceration, collective action and government affairs. The philosophy statement reads as follows:

The board of New Ground Group Ltd is against mass, or increasing rates of, incarceration. New Ground Group Ltd is committed to helping change the narrative regarding the employment of individuals currently serving and recently released from prison sentences.

3. *Public disclosure detailing the company's approach to government affairs, inclusive of lobbying/advocacy and political activities. This should include disclosure of the material issues that the company lobbies/advocates for, their trade associations, and the controls they have in place in regards to political contributions, lobbying/advocacy on the company's behalf, revolving door policy, political contributions and donations.*

The company advocates the talents and skills of these individuals and promotes training and employment as the leading mechanism to break the cycle of reoffending.

4. *Policies and practices to address the concerns of mass, or increasing rates of, incarceration and the prison industry in other aspects of its operations, including its*

charitable efforts, fair chance hiring practices, customer screenings, affected stakeholders incorporated in governance structure, etc.

New Ground Group Ltd is committed to social justice. We believe everybody deserves a second chance and support Government policy regarding rehabilitation, and speak out regarding policy which we believe negatively impacts individuals currently serving or recently released from prison. We have open dialogue with local counsellors, charity and business leaders, and we hope to use our growing voice and influence to affect wider policy in The UK.

Required Best Practices - Companies Using Prison Labor

1. *Company conducts an application process where workers express interest in the specific work opportunity and each worker receives and signs a standardised consent form from the enterprise indicating that they agree to work. The form indicates the wages and conditions of work.*

During the application process, the company sends a job advert and description to the prison and the job is advertised to the people who are incarcerated over a determined period of time. The company then receives applications with Curriculum Vitae and conducts phone interviews with 5 to 6 applicants. Each worker receives and signs the Standards New Ground Coffee employee contract that outlines working conditions such as access to Employee Handbook and Policies, Date of Employment, Probationary Period, Job Titles, Duties and Obligations, Pay, Performance Review, Hours of Work, Grievance Policy, Sickness and Injury and Termination of Employment.

The worker from the prison and the company also sign a Memorandum of Understanding (MoU) created by the prison related to the work placement. The company must be clear about all work duties and the company must inform the prison before applying any changes or amendments. The company must also confirm that they do not employ a majority of employee workers that are currently incarcerated and do not rely on prison labour.

2. *The conditions of work the enterprise offers are similar to work outside the prison, namely:*
 - a. *Wages and any deductions are made transparent and are comparable to those of free workers with similar skills and experience in the relevant industry or occupation, taking into account factors such as productivity levels. Costs the enterprise may incur for prison security supervision of the workers should not be borne by workers.*
 - b. *Workers receive clear and detailed wage slips showing hours worked, wages earned and any deductions authorised by law for food and lodging. Wages are paid directly to workers, when possible. In cases where local laws prohibit direct payment of wages, companies must have systems in place to guarantee that workers receive wages as intended.*

- c. *The daily working hours are in accordance with local law for free workers.*
- d. *Safety and health measures respect local law for free workers.*
- e. *Workers are included in the social security scheme for accident and health coverage.*

As part of the MoU, the worker from the prison is required to provide bank account details to be eligible to begin the work placement. There is an explicit expectation that the level of remuneration is no lower than the level which a member of the public would be expected to receive for the same task. The company is a Certified National Living Wage employer, and all their staff, inclusive of the employees from the prison, are paid at least a living wage. In the UK, the [Prisoner's Earning Act of 1996](#) states that the National Offender Management Service (NOMS) can take a deduction of 40% from an offender's weekly/monthly salary. As such, the workers from the prison are not allowed to receive payment directly to their bank account. The company is responsible for making payments to the NOMS once the necessary deductions for tax and national insurance have been made. All workers from the prison are on the company payroll and receive payslips that clearly state their pay per hour and hours worked, along with necessary deductions indicating the net salary. The only costs incurred from the workers from the prison are transport and food.

The daily working hours of the worker from the prison are in accordance with local law for free workers and they work an average of 40 hours per shift/week. Hours of attendance are also agreed in the MoU. They are not required to do any overtime.

The company is also required to comply with all relevant health and safety and equal opportunity legislation as well as certificates of insurance related to safe working practices. The employee contract also includes statutory sick leave pay and social security benefits to which the worker from the prison may be entitled. The company also pays National Insurance Contributions as cover for health and accidents.

- 3. *Workers obtain benefits such as learning new skills and the opportunity to work cooperatively in a controlled environment enabling them to develop team skills.*

The MoU stipulates that all workers from the prison must receive training before commencing their work duties. The company provides in house training to all workers, inclusive of those from the prison which covers baristaring, roasting, production, and soft employment skills. All staff complete induction training during their first months of employment as outlined in their Employee Handbook under Training and Development. A progressive training and development scheme is also on offer for all staff to develop relevant skills and acquire knowledge to underpin their role and career aspirations. The company managers work together with the employees to prepare and discuss the plan and once implemented, to monitor progress and review. They hold monthly one to one meetings with all their staff where they hold discussions about employment opportunities post release. The company also earns 5.6 points for the Workforce Development Impact Business Model in their BIA through the employment of individuals that are currently and recently incarcerated. The company has created a 6 week employability training programme for

all new employees from the prison which they are planning to launch in the summer of 2022. The programme covers topics such as work readiness, customer service, building healthy relationships, managing conflict, communication in the workplace, managing mental health at work, worker rights, CV writing, job search skills, and interview prep. Workers will also be surveyed at the beginning and end of their employment with New Ground to assess attitudes towards work, willingness to learn, communication skills, confidence, building healthy relationships, and response to critical feedback.

4. *Workers have the possibility of continuing work of the same type upon release and the company provides post-release benefits to workers, such as contributions to post-release savings accounts and employment support.*

All workers who are incarcerated are provided the opportunity to continue their employment at the company following their release from prison. To date, no worker that was incarcerated has continued to work at the company after release. The company has also hired one previously incarcerated individual onto their staff. The company's track whether ex-prison employees have continued to work in the coffee sector upon release during their regular check in calls.

As part of the new training programme, aftercare in the form of mentoring and support will be provided to the former employees, as well as new job opportunities within New Ground and continued training, where needed.

5. *Workers may withdraw their consent at any time, subject only to reasonable notice requirements.*

As stated in the employee contract, all prison employees complete a probationary period of three months, employment may be terminated by one week's notice in writing on either side expiring at any time during or at the end of the probationary period. After the probationary period, the prison employee contract is for the duration of their prison sentence and employment may be terminated by one month's notice on either side.

6. *The company maintains a transparent quality assurance system that includes direct and private feedback from workers, and where possible, takes action based on the feedback.*

As prison workers work on the company premises, the company has direct contact with them on a daily basis during their employment. Any pay issues are discussed during their monthly one to one meetings. The company uses these meetings plus the prison worker payslips to ensure that they are paid the correct wage. If any issues arise surrounding non-payment or wrong payment, the prison workers have the opportunity to report it to the Activities department of their prison, who liaise with either the employer or NOMS who manage the bank accounts and payments for the prison workers. Grievance mechanisms and processes are also included in the Employee Handbook and the company has a three tier approach to dealing with grievances, with the ultimate level of oversight being the Chief Executive. The staff are given direct contact details of the company's non executive directors for any anonymous feedback.

The company is required to monitor the timekeeping, performance and general conduct of the prison worker and provide the prison with reports at intervals of 4 weeks or as required. Staff from the prison also engage in a series of checks to ensure the prison workers' adherence to the established working conditions. These are in the form of unannounced onsite visits, monthly telephone checks, and/or at the request of the employer.