

Backyard Beans Coffee Company

Disclosure Report Date Submitted: May 2nd, 2024

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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 that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- Be transparent about details of 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 practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check 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

Industries and Products

Yes No Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that **Animal Products or Services** $\boxed{}$ **Biodiversity Impacts** Chemicals \square **Disclosure Alcohol** \square **Disclosure Firearms Weapons** $\boxed{}$ **Disclosure Mining** $\boxed{}$ **Disclosure Pornography** $\boxed{}$ **Disclosure Tobacco** $\boxed{}$ **Energy and Emissions Intensive** $\overline{\mathbf{A}}$ <u>Industries</u> Fossil fuels \square Gambling **Genetically Modified Organisms** $\boxed{}$ Illegal Products or Subject to $\boxed{}$ **Phase Out** Industries at Risk of Human \square Rights Violations **Monoculture Agriculture** \square **Nuclear Power or Hazardous** \square **Materials** Payday, Short Term, or High \square **Interest Lending** Water Intensive Industries $\overline{\mathbf{A}}$ **Tax Advisory Services**

Outcomes & Penalties

	Yes	No	
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		\checkmark	
Breaches of Confidential Information		V	
Bribery, Fraud, or Corruption		\checkmark	
Company has filed for bankruptcy		\checkmark	
Consumer Protection		\checkmark	
Financial Reporting, Taxes, Investments, or Loans		V	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		V	
Labor Issues		\checkmark	
Large Scale Land Conversion, Acquisition, or Relocation		\checkmark	
Litigation or Arbitration		\checkmark	
On-Site Fatality		\checkmark	
Penalties Assessed For Environmental Issues		\checkmark	
Political Contributions or International Affairs		\searrow	
Recalls		\checkmark	
Significant Layoffs		\checkmark	
Violation of Indigenous Peoples Rights		V	
Other		\checkmark	



Practices

	Yes	No	
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		\checkmark	
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		V	
Company prohibits freedom of association/collective bargaining		✓	
Company workers are prisoners		\checkmark	
Conduct Business in Conflict Zones		\checkmark	
Confirmation of Right to Work		\checkmark	
Does not transparently report corporate financials to government		\searrow	
Employs Individuals on Zero-Hour Contracts		V	
Facilities located in sensitive ecosystems		V	
ID Cards Withheld or Penalties for Resignation		V	
No formal Registration Under Domestic Regulations		V	
No signed employment contracts for all workers			
Overtime For Hourly Workers Is Compulsory			
Payslips not provided to show wage calculation and deductions		N	

	Yes	No
Sale of Data		V
Tax Reduction Through Corporate Shells		V
Workers cannot leave site during non-working hours		V
Workers not Provided Clean Drinking Water or Toilets		\searrow
Workers paid below minimum wage		N
Workers Under Bond		\checkmark
Other	\checkmark	

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		\checkmark
Child or Forced Labor		\vee
Negative Environmental Impact		
Negative Social Impact		\vee
Other		\checkmark



Disclosure Questionnaire Category: Biodiversity and/or Monoculture

Backyard Beans Coffee Company is involved in activities that could affect local biodiversity, meaning that they are more likely to have significant impacts on the environment given its interference with the balance of local fauna and flora. Certified B Corps are required to make transparent their involvement in such practices.

Any party aware of specific company practices that have had a negative impact related to their involvement in the sensitive industry, and which may constitute a violation of the B Corp standards, may contact us via our <u>public complaints procedure</u>.



Disclosure Questionnaire Category: Energy and Emissions Intensive industry

Backyard Beans Coffee Company is involved in the production/sale of products, or is part of an industry that can potentially be classified as energy and emission-intensive, meaning that they are more likely to have significant impacts on the environment based on their carbon emissions associated with their operations and their contribution to climate change. Certified B Corps are required to make transparent their involvement in such activities or industries.

Any party aware of specific company practices that have had a negative impact related to their involvement in the sensitive industry, and which may constitute a violation of the B Corp standards, may contact us via our <u>public complaints procedure</u>.



Disclosure Questionnaire Category: Water Intensive industry

Backyard Beans Coffee Company is involved in the production/sale of products, or is part of an industry that can potentially be classified as water intensive, meaning that they are more likely to have significant impacts on the environment, such as water stress or depletion of local water sources if water use is not appropriately managed. Certified B Corps are required to make transparent their involvement in such activities or industries.

Any party aware of specific company practices that have had a negative impact related to its involvement in these or other controversial industries, and which may constitute a violation of the B Corp standards, may contact us via our <u>public complaints procedure</u>.



Disclosure Questionnaire Category: Other - Clients in Controversial Industries

Backyard Beans Coffee Company is currently involved or has had involvement within the last five years in providing services and/or products to companies in the following industries considered controversial by B Lab Global: Alcohol and Pharmaceuticals.

While products and services to clients in controversial industries could help mitigate potential negative impacts or serve only as commonplace goods and services for the companies, they also could have the potential to enable the growth of the industry and indirectly contribute to its negative impacts. Certified B Corps are required to make transparent their involvement in such industries.

Any party aware of specific company practices that have had a negative impact related to its involvement in these or other controversial industries, and which may constitute a violation of the B Corp standards, may contact us via our <u>public complaints procedure</u>.



Disclosure Questionnaire Category: Industries at Risk of Human Rights Violations

Topic	Forced labor and human rights violations are recognized as material issues in the coffee industry.
Summary of Issue	As a coffee roaster and seller, Backyard Beans Coffee Company operates in an industry that is subject to human rights risk violations in their supply chain.
	Backyard Beans Coffee purchases the coffee beans from the importers and some purchases are made directly with suppliers that are also coffee farmers.
	The company operates in an industry in which human rights issues such as forced labor, child labor, and human trafficking are prevalent globally in the coffee supply chain.
Size/Scope of Issue (e.g. \$ financial implication, # of	A total of 63% of the company's supplier expanse is related to coffee products in the last fiscal year.
individuals affected)	100% of Backyard Beans Coffee products have traceability from the country of origin and mill, producer, etc. until the point of sale. For the purchases that are not made directly with coffee farmers, this information is collected from the company's suppliers/importers that bring the coffee beans to the company.
	48.97% of the coffee that the company uses is Fair Trade certified.
Impact on Stakeholders	The coffee industry has a history of forced and child labor, which subjects workers to poor working conditions, low wages, possible displacement of indigenous communities as coffee farming expands and may put children at risk for human trafficking.
Implemented Management Practices	Backyard Beans Coffee works with importers who have access to the farmers and groups they buy from. The company shares about the local communities of their producers on their coffee product pages. An example can be found here .
	The company has recently established a Supplier Code of Conduct which outlines the requirements of its suppliers in terms of ethics, human rights and environmental practices. Backyard



	Beans Coffee Company's code of conduct forbids forced labor and child labor and encourages its suppliers to implement ethical business practices, fair wages, and benefits, non-discrimination, freedom of association and collective bargaining. All suppliers are required to sign this code of conduct and any violations to the requirements would result in the termination of the business contract with the company's suppliers.
Report	https://backyardbeans.com/pages/sustainability