



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: Grain
 Date Submitted: 11/12/2021

| 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:

Grain

UPDATED AS OF:

11/12/2021

| | |
|---|--|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Environmentally Intensive Industries |
| TOPIC | Energy, emissions, chemicals, intensity and biodiversity impact |
| SUMMARY OF ISSUE | As a company that manufactures textiles, lighting and furniture products, Grain operates in industries which are environmentally intensive. |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | The company's revenues are earned from the sale of textiles, lighting and furniture that are either manufactured in its manufacturing shop or produced in collaboration with partners. |
| IMPACT ON STAKEHOLDERS | The textiles manufacturing industry is known for its environmental intensity and wood products utilise wood as the primary input material, which may pose a threat to ecosystems and may contribute to deforestation if the materials are not sourced responsibly. |
| IMPLEMENTED MGT PRACTICES | <p>"55% of company revenue is represented by furniture made with FSC certified wood. Grain is a Climate Neutral certified brand and it uses Climate Neutral's Brand Emissions Estimator (BEE) tool to measure its footprint. Once measured, Grain makes two goals every year to help reduce its footprint. It also offsets its entire footprint via certified carbon offsets via Climate Neutral.</p> <p>Many of Grain's products are designed using rapidly renewable materials and it has been investing in new materials that are renewable and regenerative such as cork. Grain limits itself to working with materials that are long-lasting, non-toxic, made using recycled content, made from well-managed renewable resources and/or are reusable or recyclable at the end of their useful life. It offers vegan options on all of its designs.</p> <p>Grain's standard wood glue is vegan, water-based, low-VOC and FDA approved for indirect use with food. It passes California emission standards for individual VOC's and formaldehyde. Grain's standard stain is made of plant-based oil and mineral pigments and uses a benzene-free solvent. The mineral pigments are non-toxic and do not include any heavy metals. Its standard hardwax-oil finish is made from plant-based oils (including sunflower, thistle and soy) and wax (carnauba, candelilla and paraffin) with a benzene-free solvent. Grain never uses flame retardants or other chemicals to treat its textiles.</p> <p>Its braided wool rugs are made using 100% undyed Canadian wool as its standard yarn. Its Sunbrella yarn is made with 50% recycled content and is Oeko-Tex Standard 100 certified. As well as being its vegan and wool allergy option, Grain never uses flame retardants or other chemicals to treat its rugs."</p> |