



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 be transparent about the disclosure issues identified on the company's public B Impact Report.

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.



B Corp Certification - Disclosure Questionnaire Documentation

Disclosure Questionnaire category: Management of Investments In Controversial Industries

Updated as of: 07/14/2023

Karmijn Kapitaal Management is currently involved or has had involvement within the last five years in the management of investments in companies in the following industries considered controversial by B Lab Global: Alcohol Industry.

While investing in companies in controversial industries could help mitigate potential negative impacts, 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 [public complaints procedure](#).

B Lab's Risk Review Committee Recommendation Letter on Best Practices for Serving Clients in Controversial Industries

Thanks for your transparency on this topic. B Lab's existing standards require that companies that are currently involved or have had involvement within the last five years in the provision of services and/or products to companies in the following industries considered controversial by B Lab Global make this issue transparent to ensure that stakeholders are aware. This disclosure, however, is not intended to imply a judgment against the company and does not imply that the company is violating the standards of B Corp Certification, as you are eligible to proceed with the certification, and a high percentage of B Corps are required to have a disclosure on their profile. Given the potential impact the industries your company is serving may have, B Lab has a standardized disclosure on the topic to ensure transparency and consistency with other companies.

In addition to this disclosure, recognizing the potential impact of this issue, B Lab does nonetheless provide recommendations to companies to ensure that they are thoughtfully managing these topics. To that end, B Lab recommends that the company take into extra consideration the following suggested actions as they continue to manage their impacts if you have not done so already:

Client screening policy

B Lab would strongly recommend that the company create a formal client screening policy. The intention of the client screening policy is for the company to mitigate their potential negative impact related to serving clients in the [industry], particularly clients that may not have best practices in place related to their social and environmental impacts.

The client screening policy should include the below elements:

- (1) Decision framework for evaluating potential clients
 - Screening criteria for evaluating potential clients, e.g., client's industry, client's ESG practices, client's potential negative impact, background check on the client to elevate stakeholder concerns
 - Process for evaluating potential clients, e.g., description of process, decision-makers and influencers, person / team accountable
- (2) Identification of a client exclusionary list that goes beyond regulatory requirements for industries / client types that the company is not willing to work with
- (3) Robust governance procedures, e.g., reviewed and voted on by the company's leadership and highest governance body (e.g., Board of Directors)
- (4) Ongoing training of client screening policy, e.g., person / team accountable, training schedule, process to update materials

Greenwashing/goodwashing concerns

B Lab would strongly recommend that the company remains up-to-date and in compliance with all your countries of operation regulations and legislation relating to greenwashing/goodwashing claims - including the Green Claims Code - both in relation to its

own services, as to the services and impacts of the company's clients. B Lab recommends the company to review and verify that its public claims and the claims of its clients are not at risk of greenwashing/goodwashing by, for example:

- (1) Reviewing public materials to make sure that any use of vague words (e.g. sustainable, eco-friendly) are coupled with robust and complete evidence of actual impact of the use of a service or product;
- (2) Making sure that specific services or product-lines are not being used to make claims about a company's overall mission and performance (e.g. marketing all services and products as providing a positive environmental or social impact when that is not necessarily always true);
- (3) Avoiding the use of long-term future commitments as example or justification to certain "green" or "good" claims without providing a clear roadmap on how a company plans on achieving set goals.

More information about how businesses can combat greenwashing is [available here](#).

Please note that B Lab has identified the need to develop new standards for companies that serve clients involved in controversial issues and industries in order to better understand and mitigate risks, such as greenwashing/goodwashing, associated with that practice. Once these standards are developed, companies seeking the certification will be required to demonstrate performance against those standards as well as certified B Corps at their recertification. The company's effort on the recommendations above now will help prepare the company for new standards and requirements that may be in place in the future.

While there is not an expectation of specific practices in place by the company at this time, these would be topics that would be asked should there be material complaints received through our complaints process, and may be further incorporated into B Lab's standards in the future as we continue to improve them. Please take them into consideration, and, otherwise, we will proceed with the finalization of your disclosure report.

Sincerely,
B Lab's Risk Review Committee