



New England Biolabs Inc.

Disclosure Report

Date Submitted: December 2nd, 2024



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:

- 1) 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.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

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 or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Energy and Emissions Intensive Industries	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Water Intensive Industries	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input checked="" type="checkbox"/>	<input type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



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

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Genetically Modified Organisms

Topic	Genetically Modified Organisms
Summary of Issue	<p>New England Biolabs manufactures and sells recombinant enzymes used to perform DNA research and advance the life science industry.</p> <p>The company shared that molecular biology and recombinant DNA technologies have led to many important discoveries in the diagnosis and treatment of disease and advances in human health. Examples such as the manufacture of synthetic human insulin, the creation of vaccines, the development of cancer therapies, sequencing and detection of viruses, and advances in personalized medicine have all helped to improve our quality of life. Further, molecular biology techniques have played a major role in facilitating criminal investigations, helping consumer products to be more efficient and eco-friendly, and establishing improved methods for processing various foods, such as yogurt and cheese.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In its last fiscal year, the company earned less than 1% of revenues from the sale of products related to the use of GMOs and related genetic modification.
Impact on Stakeholders	B Lab has flagged the involvement with Genetically Modified Organisms as a material issue due to environmental and social risks. If new standards are created to address possible risks related to this industry, New England Biolabs will have one grace period of one recertification cycle to comply with new requirements.
Implemented Management Practices	<p>New England Biolabs is committed to practicing ethical science. The research should always be done safely and ethically. Our position on specific topics relating to practicing ethical science can be found at https://www.neb.com/en-us/neb-ethics.</p> <p>All New England Biolabs products are sold as Research Use Only (RUO). This is an important distinction in the biotech world and the RUO label conveys to a customer that if they want to use the products for a diagnostic kit, for example, then the</p>

	customer will have to perform testing to qualify the material to be used for their purpose (under FDA regulations).
Other Management Comments	<p>The company shared the following comments regarding this Disclosure Questionnaire Topic:</p> <p>"Genetically modified organisms (GMOs) GMOs have been used for decades to produce diagnostic and therapeutic agents, including treatments for rheumatoid arthritis, Crohn's disease, leukemia, breast cancer, and metastatic cancers, as well as to produce recombinant insulin. As such, with proper research and regulatory oversight, GMOs are positively impacting people's lives and well-being.</p> <p>GMOs have additionally expanded our understanding of agriculture and food science, making them especially impactful in countries with food shortages. Experience to date, which includes animal consumption of GMOs, such as soybeans, and human consumption of genetically modified papaya, eggplants, and other food crops, has led to zero problems being reported. While safety is always a concern, we know of no reason to currently consider that GMO crops carry any more risk than traditionally bred crops.</p> <p>At NEB, we encourage scientists to continue to work to improve the food industry through active discussions with scientific peers, the public, and regulatory authorities and to bring GMO products to market, especially in the developing world.</p> <p>Germline Gene Editing Since the safety and efficacy of CRISPR/Cas9 for human therapeutics have not been firmly established, premature use of genome editing jeopardizes the acceptance of this promising advance in science and medicine.</p> <p>As a leading provider of the tools used for CRISPR research, NEB does not support the use of genome editing in human germline tissues or embryos and will not knowingly allow the sale of its products to anyone for such use."</p>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation, Arbitration, and/or Penalties

Issue Date	2019, 2023
Topic	Litigation related to Employees and Competitors
Summary of Issue	<p>New England Biolabs (NEB) develops innovative products for the life sciences industry, including the discovery and production of enzymes for molecular biology applications. Over the last 5 years, NEB has had two class action lawsuits related to their Employee Stock Ownership Plan (ESOP) and one patent infringement litigation brought forward by one of their competitors.</p> <p>Employee related litigation The company has had two class action lawsuits plaintiffs alleged a breach of fiduciary duty concerning a plan amendment that was adopted by the ESOP plan in 2019.</p> <p>Case 1: (2019) case related to the valuation of shares of Cell Signaling stock (an investment held by the ESOP plan). Although the court dismissed many of the plaintiffs' claims, the case was ultimately settled and closed.</p> <p>Case 2: (2023) Amongst other claims, the Plaintiffs alleged a breach of fiduciary duty concerning a plan amendment that was adopted by the ESOP plan in 2019. NEB filed a motion to dismiss and the court dismissed several claims, mediation is ongoing.</p> <p>Competitor related litigation (2024) The company experienced one litigation case brought forward by a competitor alleging that NEB products infringe on competitor's patents, as well as NEB customers, infringing the same patents. The products in question are used by the Company's customers for research, and in some cases, for clinical purposes, including being used in a cancer screening trial. This case is still pending, the company has opposed the motion for a preliminary injunction and filed a motion to dismiss the case. The court is considering both motions and has scheduled oral arguments for November 2024.</p>

Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Employee Related Litigation</p> <p>Case 1: Settlement payment represented less than 1% of the company's FY2023 revenue with a payment of USD 600.000.</p> <p>Case 2: The Court dismissed several claims and the remaining claims are to be settled in a mediation that is already scheduled.</p> <p>Competitor Related Litigation: The products in question represent less than 1% of the company's revenue, as the case is still pending an outcome, financial damages estimates are not available at this time.</p>
Impact on Stakeholders	<p>Employee Related Litigation</p> <p>A group of former employees, numbering less than 60, who retired before January 2020, were impacted.</p> <p>Competitor Related Litigation</p> <p>This case presents potential impact on one of the company's competitors.</p>
Resolution	<p>Case 1 was settled and closed and Case 2 is pending mediation. The Competitor Related litigation case is still ongoing.</p>
Management Practices	<p>New England Biolabs hired an independent trustee of the ESOP plan (TI-Trust) whose role is to monitor the plan activities in the best interest of plan participants, as well as monitor and approve the annual valuation of company stock.</p>
Management Comments	<p>While NEB cannot prevent a third party from bringing a lawsuit, we feel our current freedom-to-operate practices are industry best practices and adequate to reduce the likelihood of future IP infringement actions</p>
Related Incidents (Yes/No)	<p>No</p>