



May 2026

Companies Linked to Clients in Controversial Industries

Dear Blackmore Computers Ltd,

B Lab Global determined that companies involved in serving clients in [B Lab's list of Controversial and ineligible industries](#) require additional precautions as this relationship *may* lead to the growth of the industry.

Based on the information previously provided by the company, B Lab Global's Risk Review Committee determined that Blackmore Computers Ltd is Linked to Adverse Impacts in the following Controversial industries: Pharmaceuticals

Therefore, the company can proceed with certification **provided you meet these additional requirements:**

1. You must agree to disclose this involvement on your company's B Corp public profile via a Standardized Disclosure. A draft of the disclosure will be shared for your review and approval prior to it being added to your profile.

For more information on the new approach and recommendations on meeting future requirements, **please review the detailed Recommendation Letter included below.**

We hope this memo has provided sufficient rationale for both the decision and importance of applying minimum risk standards for controversial industries and practices to ensure that certified B Corp companies represent high standards of social and environmental performance. For more information on this update, please visit our [website](#) or reach out to your Country Partner for support.

Kind Regards,
B Lab Global

B Lab Global's Risk Committee Recommendation Letter on Best Practices for Serving Clients in Controversial Industries under V1.6

B Lab Global has implemented a new approach to assess a certifying company's involvement in controversial industries. With this new approach in place, there are three potential pathways for companies that are currently involved in or have had involvement within the last five years in the provision of services and/or products to companies in industries classified as controversial.

In order to prevent any complications in your recertification process in the future, B Lab Global's Risk Committee highly recommends your company reviews the list of industries B Lab Global considers to be controversial or ineligible based on [B Lab's Theory of Change](#). In addition, companies should review and meet the requirements for recertifying companies under the [B Lab's new standards \(V2.1\)](#) upon your next recertification cycle.

Classification of Controversial Industries and Ineligible Industries under V1.6

Companies that report being 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 will be required to disclose their involvement and may also be required to have policies in place, as outlined in the 'Potential Pathways Towards Certification' section of this document.

Clients in Controversial Industries (CCI): Refers to clients in the following industries that, if the company was directly involved in, would need to meet additional requirements to be eligible and by working with them, it poses a higher risk of influencing adverse impacts.

- Charity Lotteries
- Debt Collection agencies in emerging markets
- Nuclear Power or Radioactive Materials
- Mining
- Pharmaceuticals
- Recreational Marijuana

Clients in Ineligible Industries (CII): Refers to clients in industries acting against the [B Lab Theory of Change](#), including:

- Gambling
- Pornography
- Prisons and detention centers (including labor)
- Tobacco/Nicotine/Vapes

- Offensive Firearms/Weapons/Defense
- Fossil Fuel industries

New controversial industries may be added to these lists once new requirements for those are developed. For additional information about these industries including how B Lab Global defines them, please visit [our website](#).

Classification of Service/Product under V1.6

A company's service/product offered will be classified into one of four categories: Causing, Contributing, Linked or Associated. The classification is determined based on the type of service/product and how it affects the adverse impact of the industries the service/product is offered to.

Companies *Causing Adverse Impacts*: Occurs when a company's own actions or omissions directly leads to adverse impacts.

Companies *Contributing to Adverse Impacts*: This relates to when a company's actions or omissions that, combined with those of other parties, facilitate or increase a negative human rights or environmental impact.

Companies *Linked to Adverse Impacts*: This refers to situations where a company is not directly causing or contributing to harm but is connected to it through its business relationships (suppliers, customers, etc).

Companies *Associated with Adverse Impacts*: This refers to situations when a company is providing a basic or generic service/product to clients with adverse impacts. The services/products are available to all individuals, not just companies.

Potential Pathways Towards Certification under V1.6

Given the above industry definitions combined with the classification of the company's service/product, there are three potential pathways for companies serving CCI or CII. For companies with multiple clients, the most conservative industry classification will be used to determine the final pathway.

Pathway 1: The company is eligible and can proceed with public disclosure

- a. Companies that worked in the past with CCI/CII, it will also be communicated that if they have business with these industries again they will need to meet the framework fully to be able to recertify in the future.

Pathway 2: The company is eligible and can proceed with public disclosure if they meet the following measures:

- a. Requiring companies to set up a grievance/complaints mechanism
- b. Requiring companies to have a whistleblower protection policy
- c. For [Engineering companies serving defense industries](#) and companies serving [Prison Industry](#), the current Risk Standards are also applicable along with the above measures.

Pathway 3: Absolute ineligibility for companies contributing to “industries acting against the [B Lab Theory of Change](#)” (generating more than 1% of annual revenue).

- a. For currently paused companies and recerts (in the eval/verif. pipeline): Meet pathway 2 requirements and inform about the 1% of revenue threshold from CII industries that will be applied in the next recertification.
- b. For all new companies (not in the eval/verif. pipeline): 1% of revenue from CII industries prior to becoming a B Corp + requirements from pathway 2

IMPORTANT: Your company should review and meet the requirements for recertifying companies under the [B Lab’s new standards \(V2.1\)](#) upon your *next* recertification cycle.

Grievance Mechanism and Whistleblower Protection Policy Recommendations

For companies classified as Contributing to any of the controversial (CCI) and ineligible (CII) industries listed above, as well as those considered Linked to any ineligible industries (CII), the company must meet B Lab's minimum requirements to maintain certification.

The following guidance outlines the components of Grievance Mechanisms and Whistleblower Protection Policies needed to comply with B Lab’s standards:

Grievance/Complaints Mechanism

The Grievance/Complaints Mechanism needs to meet the following requirements to be accepted:

- The company publishes on its website a grievance form and/or other means for stakeholders to contact them to raise a grievance. These may include:
 - a whistleblower or ethics hotline
 - business-to-business contract clauses with dispute resolution provisions
 - “Open-door” or “speak up” policies for workers
 - suggestion or feedback boxes, or other worker voice tools
 - direct stakeholder engagement
 - worker committees
 - a customer services department

- trade unions and industrial relations processes
- consumer complaints mechanisms
- Code of Conduct requirements for supplier mechanisms
- audit processes, including worker interviews
- community outreach and engagement.
- The company provides stakeholders who submit a grievance with information about its grievance process, which includes:
 - Grounds for accepting a grievance
 - Grievance process steps and targeted deadlines for managing a grievance
 - How a resolution will be facilitated
- The company responds to stakeholder grievances by either:
 - Regularly communicating each step and its outcome in the process for seeking a resolution to the grievance and confirming when a resolution to addressing the grievance has been achieved OR
 - Providing a rationale as to why the issue raised was not accepted as a grievance.
- The company describes the processes and controls in place to protect stakeholders who raise grievances from any form of retaliation.

Additional Guidance Documents:

- [People and planet in business: A simple guide to how small and micro companies can start or strengthen their due diligence](#) (Fairtrade International, B Lab) [\[EN\]](#)
- Remediation and Grievance Mechanisms (Business for Human Rights) [\[EN\]](#)
- UN Guiding Principles on Business and Human Rights [\[CHI\]](#) [\[DE\]](#) [\[EN\]](#) [\[ES\]](#) [\[FR\]](#) [\[PL\]](#)

Whistleblower Protection Policy

The Whistleblower Protection Policy needs to ensure stakeholders' protection from any form of retaliation for using the Grievance/ Complaints Mechanism. This means implementing measures to enforce confidentiality and assess potential risks to stakeholders. The policy needs to include:

- The company's commitment to protecting whistleblowers from retaliation;
- Consequences in case retaliation of whistleblowers is identified;
- Mechanisms in place to ensure whistleblower protection.

Other best practices include:

- Informing those raising grievances about who will need to be involved or informed at the outset
- Seeking consent before sharing information with additional parties
- Maintaining confidentiality regarding the outcome of the process
- Enhanced training for those handling the grievance procedure

- Enforcing disciplinary action in cases of confidentiality breaches
- Collaborating with independent third parties to assess risks for vulnerable stakeholders.

References that can be shared with the company:

- UNESCO's whistleblower protection policy [\[EN\]](#) [\[FR\]](#)
- The ICC whistleblowing and whistleblower protection policy (International Criminal Court) [\[EN\]](#)

Additional Recommendations that are Not Required

Although the practices listed below are not mandatory for companies, B Lab recommends companies consider them to ensure that they are thoughtfully managing controversial industries. 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 controversial industries, 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 an example or justification to certain "green" or "good" claims without providing a clear roadmap on how a company plans on achieving set goals.

Once again, B Lab Global's Risk Committee highly recommends assessing how your company is mitigating risks related to the aforementioned industries and potentially implementing new practices in order to prevent any complications to your recertification process in the future. Please visit our website for our latest risk-related updates and if you have any questions or require further assistance, please contact your region's Global Partner.

Sincerely,

B Lab's Risk Review Committee