



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: Higher Ground Trading Company
Date Submitted: 01/07/2023

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: Higher Ground Trading Company

UPDATED AS OF: 01/07/2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Energy and Emissions Intensive
SUMMARY OF ISSUE	As a coffee roaster, Dancing Goats Coffee operates in an industry that is energy intensive.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 70% of the company's supplier expenses come directly from farms.
IMPACT ON STAKEHOLDERS	Agriculture poses a risk to local ecosystems of flora and fauna as well as the potential degradation of cultivated land.
IMPLEMENTED MGT PRACTICES	<p>The company only engaged in trading with farmers who are committed to implementing the practice of shade-grown and organic-certified coffee through 3rd party certification to prevent the clear-cutting of the natural ecosystem and negative impact on biodiversity. On top of that, the company worked with growing cooperatives such as Kawa Kanzururu and Muungano during their transitional phase of organic certification by purchasing their yet-to-be-certified organic coffee as financial support to those suppliers who are actively pursuing the expensive certification process.</p> <p>The measurement of this impact is done via the measurement of pounds of green coffee that the company purchase according to its trading practices. The company does not currently have any set targets related to preserving or conserving biodiversity.</p>



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Higher Ground Trading Company UPDATED AS OF: 01/07/2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Suppliers Chain Disclosure - Operation in Conflict Zones
TOPIC	The company has suppliers in the Democratic Republic of the Congo, which is classified as a Conflict area and presents Institutional and Social Fragility according to the World Bank's FCS List (2023)
SUMMARY OF ISSUE	<p>Higher Ground Trading Company purchases green coffee beans from suppliers in the Democratic Republic of the Congo and from North and South Kivu, along the Rwandan border. These areas have been in civil war for years and are threatened by violent paramilitary activity on an ongoing basis. Farmer community security is a constant threat, especially in the North.</p> <p>The company purchases all of its coffee beans through a supplier Cooperative.</p>
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the last fiscal year, 70% of the company's cost of goods sold were from suppliers operating in conflict zones.
IMPACT ON STAKEHOLDERS	<p>High-risk supply chains, such as coffee, have a history of forced and child labor, which subjects workers to poor working conditions, low wages, and puts children at risk for human trafficking.</p> <p>As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.</p>
MANAGEMENT PRACTICES	<p>100% of Higher Ground Trading's purchases are made directly to the supplier/importer "Cooperative Coffees" which is Fair Trade Certified.</p> <p>The company maintains direct connection to both the Cooperative's governance and have a person on staff from the company's sister non-profit "On the Ground", who lives in Minova. Before the COVID-19 pandemic the company personally visited growers annually.</p>