



Pedal Group Pty Ltd

Disclosure Report

Date Submitted: September 15th, 2023



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.

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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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: Recalls

Issue Date	2017, 2018, 2020, 2021, 2022
Topic	Recalls due to quality control issues
Summary of Issue	<p>Pedal Group has had 12 recalls in the last five years due to quality control matters:</p> <ul style="list-style-type: none">• 2017 Pedal Zap and Crush Recall• 2017 Pedal Ranger Recall• 2017 Speeder 20 fork recall• 2017 Merida Handlebar recall• 2017 Scultura Fork recall• 2018 BMC Teammachine SLR01• Fork 2018 BMC TM01 Fork recall• 2020 Silverback Skid 16 Recall• 2020 Norco Storm 4 & 5 – Sunrace cassettes• 2021 Pedal Pacer 2 Recall• 2021 Cube SL Road Recall• 2022 Pedal Clipper Recall <p>Additional information about each recall is linked below</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Approximately 12,000 bicycles were impacted over the course of the listed recalls.
Impact on Stakeholders	<p>The bicycle defects varied for each model and recall, ranging from: defects in handlebar alloy stem, carbon forks, rear braking systems, and more. The full details associated with each recall are available on the company's websites listed below. The defects ranged in severity but could have caused users to crash, be injured, or posed a risk of death.</p> <p>Of the models associated with the listed recalls, there were twelve reported bicycle failures, which resulted in two non-serious incidents that were reported to the Australian Competition and Consumer Commission.</p>
Resolution	<ul style="list-style-type: none">• 2017 Pedal Zap and Crush: All affected units recalled. Replacement stems fitted.• 2017 Pedal Ranger: All affected units recalled.

	<p>Replacement QR Skewer of different design fitted.</p> <ul style="list-style-type: none"> • 2017 Speeder 20 fork: Consumers should stop using the bicycle immediately and contact their local Merida retailer to inspect the fork and if necessary have a replacement fork fitted or to receive a full refund of the purchase price. • 2017 Merida Handlebar: In order to rectify the defect, Advance Traders (through its distribution network) will offer to fit the replacement Merida MTB Expert II handlebar to affected consumers free of charge • 2017 Scultura Fork: Impacted forks recalled. Replacement fork fitted • 2018 BMC TM01 Fork recall: Inspected the tyre clearance and, if necessary, arranged repair work • 2018 BMC Teammachine SLR01: identified if units were safe to continue riding and issued replacement fork if needed • 2020 Silverback Skid 16: All affected units recalled. Replaced rear wheel with coaster brake system, which complies with AS/NZS1927:2010 requirement for childrens bicycle braking systems. • 2020 Norco Storm 4 & 5 – Sunrace cassettes: Remedy for customers provided was to bring bike into a store to have the cassette repaired by a replacement being fitted • 2021 Pedal Pacer 2 - All affected units recalled. Replacement fork fitted to all units with revised (more robust) dropout retention tabs. • 2021 Cube SL Road - All affected units recalled. Brake system investigated and replacement part fitted if brake pad contact issue identified. • 2022 Pedal Clipper - All affected units recalled. Replacement seatposts of different design and source fitted, with warning label for appropriate tightening torque clearly visible.
Management Comments	<p>Recall information:</p> <p>https://webshop.advancetraders.com.au/recalls</p> <p>https://help.99bikes.com.au/hc/en-au/sections/360001147755-Product-Recalls</p>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Labor Issues

Issue Date	2022 - 2023
Topic	Labor disputes and dismissals
Summary of Issue	Over the past year, the company has had six labor disputes that were raised to the Australian Fair Work commission or Australian Human Rights Commission. Four of the incidents were resolved with financial compensation to the claimants; the other two were mediated and resolved without financial compensation.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Total compensation paid to claimants was less than 0.01% of the company's annual revenue.
Resolution	Investigations were conducted with mediation proceedings for resolution. Four cases resulted in financial compensation and two cases resolved without financial compensation. Employee assistance programs were offered as additional support for departing employees.
Implemented Management Practices	<p>The business has a comprehensive approach to mitigate future potential conflicts with Team Members. We have a Dispute Resolution policy which is transparent and outlines our commitment to the policy and its implementation ensuring an appropriate escalation process for all employee grievances, contributing to a healthy and safe work environment.</p> <p>All Team Leaders also undergo training on how to manage behavior and performance in the workplace, this training also focuses on conflict resolution, effective communication (1:1s) and compliance with various legislation as well as our own internal policies.</p> <p>Overall, we are committed to adhering to legal compliance as an employer, ensuring that all dismissal processes align with relevant employment laws and regulations. Communication strategies during dismissals prioritize transparency, providing clear reasons for dismissals and offering support services (EAP) to affected Team Members.</p>