



## 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: TCHO Ventures Inc.  
 Date Submitted: July 26, 2021

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:

TCHO Ventures Inc.

UPDATED AS OF:

July 26, 2021

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Conflict Zones
<b>TOPIC</b>	Company sources cocoa beans from Democratic Republic of Congo
<b>SUMMARY OF ISSUE</b>	TCHO sources cocoa beans from Democratic Republic of Congo (DRC), which has experienced ongoing conflict starting in the 1940s and 1950s with independence from Belgium and an escalation of conflict in the 1990s in conjunction with the Rwandan genocide. The ensuing conflicts span an array of different issues, such as leadership, control of land, and mineral rights. In August 2020, the UN noted that over 15 million are suffering from food insecurity and hunger. Additionally, millions of people have been displaced as a result of the violence. All the DRC beans were purchased from Esco Kivu, a family owned and operated export company based in Beni.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	28% of total bean inputs came from the DRC.
<b>IMPACT ON STAKEHOLDERS</b>	Esco Kivu ensures they are not supporting the conflict using the following approaches: <ul style="list-style-type: none"> <li>• Purchase only from registered farmers (confirmed by Fair Trade and Organic Certification)</li> <li>• Record total production capacity for all farmers (confirmed by Organic certification) to ensure they never purchase stolen cocoa</li> <li>• Maintain staff in the field and local buying stations, creating direct relationships with the farmers and eliminate the risk of purchasing stolen cocoa from members of rebel groups posing as registered farmers.</li> <li>• Also in 2019, insecurity in the Watalinga area increased, especially in the areas further from Nbili Town. Esco Kivu responded to this by temporarily moving 9 of the 15 buying stations for the Watalinga area closer to Nbili Town to prevent anyone traveling in the most insecure places to sell cocoa. Since then, insecurity has decreased and 7 of the 9 moved buying stations have returned to their original location.</li> </ul>
<b>IMPLEMENTED MGT PRACTICES</b>	Additionally, Esco Kivu works closely with the nonprofit organization Eastern Congo Initiative (ECI). The ECI works directly with cacao and coffee farmers, giving them access to markets and supporting their livelihood. By working with farmers in the DRC, TCHO is giving those farmers the opportunity to improve their conditions, support their families, and improve opportunities and sustainability of their communities. Without the collaboration of the ECI and commercial enterprises, these farmers likely would have fewer economic options. The insecurity comes and goes, but Esco Kivu remains. Farmers really appreciate the continuity in income amongst this larger backdrop of uncertainty.

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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Labor Issues
<b>TOPIC</b>	OSHA Citations and Employee Injury, 2017, 2019
<b>SUMMARY OF ISSUE</b>	<p>On October 12, 2017, during a routine OSHA visit, TCHO received two serious OSHA citations:</p> <p>OSHA Standard 4050: All exposed parts of line or countershafting or collars, clutches, cut-off couplings and clutch pulleys seven feet or less above floor or other working level shall be guarded. Cited due to lack of covers on pump motors.</p> <p>OSHA Standard 4075: All gears, sprockets and sprocket chain drives located 7 feet or less above the floor or working level shall be guarded. (b) If band guards are used the guard shall extend inward beyond the root of the teeth and the spokes shall be guarded with a disk guard. Cited due to not having a cover on the exit of our cooling tunnel.</p> <p>No workplace injuries occurred in connection with these citations and TCHO resolved both of these issues and the citations/ case were formally closed after a follow up inspection on August 28, 2019 that all outstanding citations were abated and no other violations were observed.</p> <p>TCHO has had one employee workplace accident, which took place on August 8, 2017. The employee was cleaning a mini tempering machine used for making prototype samples. The employee reached into the temper tank to wipe chocolate off the tank wall while the stirrer blades were still operating. The employee injured the fingertip of the left index finger but was not hospitalized.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	One individual injured, OSHA violations did not result in any fines or penalties.
<b>IMPACT ON STAKEHOLDERS</b>	Potential for employee injuries and one employee suffered an injury.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>The cleaning protocol for machine has been updated and frequently trained on since this incident to avoid any such accident happening in the future.</p> <p>Worker safety is a priority at TCHO. TCHO works with a third party agency, KPA, to conduct monthly safety inspections and provide employee training. TCHO also has an employee run worker safety committee, which meets at a minimum once per quarter to review any safety concerns cited by KPA or employees.</p>

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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally-Intensive Industry
<b>TOPIC</b>	Energy/ Emission Intensive industry
<b>SUMMARY OF ISSUE</b>	TCHO is a chocolate maker that oversees and collaborates on the entire chocolate making process - from cocoa bean to bar.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	In TCHO's Berkeley factory, semi processed cocoa ( cocoa liquor, cocoa butter) is made into chocolate. TCHO purchases power from PG&E, which has an energy mix of 27% large hydro, 29% renewable, and 44% non-emitting nuclear. All of the energy (100%) is greenhouse gas free and/or renewable. Based on B Lab's definition, 56% of TCHO's energy use comes from renewable sources and 29% from low-impact renewable sources. PG&E's reliance on renewable and non-emitting energy sources significantly mitigates the carbon footprint associated with roasting cacao and producing chocolate.
<b>IMPACT ON STAKEHOLDERS</b>	The carbon emissions associated with their operations and their contribution to climate change along with air pollution and associated health impacts of air quality are the potential impacts of their energy intensity.
<b>IMPLEMENTED MGT PRACTICES</b>	TCHO oversees the roasting and processing of cocoa beans into semi processed cocoa at several approved facilities around the world. All of our suppliers are using modern equipment that is more energy efficient than older models