



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

PROVIDED BY:

Nahua

UPDATED AS OF:

08/20/2020

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		<input checked="" type="checkbox"/>
Biodiversity Impacts	<input checked="" type="checkbox"/>	
Chemicals		<input checked="" type="checkbox"/>
Company Explanation Of Disclosure Item Flags		<input checked="" type="checkbox"/>
Disclosure Alcohol		<input checked="" type="checkbox"/>
Disclosure Firearms Weapons		<input checked="" type="checkbox"/>
Disclosure Mining		<input checked="" type="checkbox"/>
Disclosure Pornography		<input checked="" type="checkbox"/>
Disclosure Tobacco		<input checked="" type="checkbox"/>
Energy and Emissions Intensive Industries		<input checked="" type="checkbox"/>
Fossil fuels		<input checked="" type="checkbox"/>
Gambling		<input checked="" type="checkbox"/>
Genetically Modified Organisms		<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out		<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input checked="" type="checkbox"/>	
Monoculture Agriculture		<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials		<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending		<input checked="" type="checkbox"/>
Water Intensive Industries	<input checked="" type="checkbox"/>	
Other		<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 checked="" type="checkbox"/>
Child or Forced Labor		<input checked="" type="checkbox"/>
Negative Environmental Impact		<input checked="" type="checkbox"/>
Negative Social Impact		<input checked="" type="checkbox"/>
Other		<input checked="" type="checkbox"/>

Other Disclosures	Yes	No
		<input checked="" type="checkbox"/>

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

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		<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		<input checked="" type="checkbox"/>
Company Explanation Of Disclosure Item Flags		<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining		<input checked="" type="checkbox"/>
Company workers are prisoners		<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones		<input checked="" type="checkbox"/>
Confirmation of Right to Work		<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government		<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts		<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems		<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation		<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations		<input checked="" type="checkbox"/>
No signed employment contracts for all workers		<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory		<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions		<input checked="" type="checkbox"/>
Sale of Data		<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells		<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours		<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets		<input checked="" type="checkbox"/>
Workers paid below minimum wage		<input checked="" type="checkbox"/>
Workers Under Bond		<input checked="" type="checkbox"/>
Other		<input checked="" type="checkbox"/>



B Corp Certification - Disclosure Questionnaire Documentation

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Nahua

UPDATED AS OF:

08/20/2020

DISCLOSURE QUESTIONNAIRE CATEGORY	Industries at Risk of Human Rights Violations
ISSUE DATE	Forced labor, child labor, and human trafficking risks in cocoa/chocolate industry
SUMMARY OF ISSUE	As a chocolate producer, Nahua operates in an industry in which human rights issues such as forced labor, child labor, and human trafficking are prevalent globally in the cocoa supply chain.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 66% supplier expenses come directly from cocoa farms.
IMPACT ON STAKEHOLDER(S)	The global cocoa industry has a history of forced and child labor, which subjects workers to poor working conditions, low wages, and puts children at risk for human trafficking.
IMPLEMENTED MGT PRACTICES	<p>Nahua has full traceability in its cocoa supply chain for 100% of raw materials purchased. The company has a Code of Conduct that includes a policy against child labor which Nahua undertakes to eradicate any possibility of slavery or trafficking of human beings in its supply chain. It is prohibited to do business with individuals or companies that are involved in child labor, slavery or human trafficking. The company's field technicians and buyers are trained to identify and report any type of violation of people's rights.</p> <p>In addition, Nahua forms part of Essential COSTA RICA, a network of companies that promotes values such as Excellence, Sustainability, Innovation, Social Progress, and Costa Rican Origin to the rest of the world.</p>

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Biodiversity Impact
SUMMARY OF ISSUE	As an agricultural company, Nahua operates in an industry in which biodiversity impact is a material environmental issue.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 66% of supplier expenses come directly from farms.
IMPACT ON STAKEHOLDER(S)	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 geographical area where Nahua operates is an agricultural zone, where the main activities are extensive cattle ranching and cultivating pineapple, rice, bananas, and sugar cane, among others. Cocoa is the only crop that requires shade, which makes it an oasis of biodiversity and creates very good biological corridors. The very existence of cocoa farming in this context is the best way to ensure a positive impact on biodiversity.</p> <p>Additionally, in the trainings with suppliers we suggest they plant of fruit trees on the peripheries of their cocoa plantations as a food bank for animals, thus preventing them from affecting the cocoa plots. Nahua promotes the sowing of shade trees, preferably legumes and fruit trees. These function as natural biological corridors and containment of pests. In Nahua's cocoa renovation program, regenerative agriculture is a central training topic. The characteristics of the cultivation of cocoa, a woody perennial tree, favors soil stability and pruning the crop produces a high-quality fertile soil layer.</p> <p>Nahua is currently conducting a survey to learn about the use of pesticides and agrochemicals in the cocoa crops of the network of suppliers. The partial results thus far confirm that this practice is unusual given the characteristics of the already developed crop and the absence of these cultural practices in the region.</p>
OTHER MANAGEMENT COMMENTS	<p>All the cocoa suppliers of Nahua have had their plantations developed for several years. The crop produces shade and defoliation, and pruning protects the same trees from weed growth. Insects rarely manage to affect the fruit.</p>

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Water Intensive Industries
SUMMARY OF ISSUE	As an agricultural company, Nahua operates in an industry that is water intensive.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 66% of supplier expenses come directly from farms.
IMPACT ON STAKEHOLDER(S)	<p>As a water intensive industry, agriculture poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.</p> <p>The cultivation of cocoa in the Nahua area of influence is carried out in a tropical climate with significant rainfall throughout the year. The terrain is semi-undulating, which favors natural and balanced drainage. Artificial irrigation is non-existent in Nahua's network of cocoa suppliers. The dry season is short, and the cacao tree is resistant to these short-term droughts.</p> <p>Drinking water comes from aqueducts registered and regulated by national authorities, for which the farmer must pay a fee that is not subsidized, therefore, it works as a market price control.</p>
IMPLEMENTED MGT PRACTICES	<p>The company does not have specific targets or objectives to reduce water use in its supply chain because there is no additional water consumption to the rains that occur naturally. Therefore, no activities are carried out to ensure supplier farms are effectively managing the water resources they use, although climate change will possibly put the management of water resources as a priority issue. It is in the interest of the company to obtain financing to implement precision agriculture projects, which will stress the management of water resources.</p>