



## H&H Group

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Disclosure Report

Date Submitted: September 25th, 2024



## 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.

### B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

**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 type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration <a href="#">- H&amp;H Asia &amp; Holding Case 1</a> <a href="#">- H&amp;H Asia &amp; Holding Case 2</a> <a href="#">- H&amp;H USA</a>	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs <a href="#">- H&amp;H UK</a>	<input checked="" type="checkbox"/>	<input 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 <a href="#">- H&amp;H USA</a> <a href="#">- H&amp;H China</a>	<input checked="" type="checkbox"/>	<input 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 <a href="#">- H&amp;H USA (Cannabis Related Products)</a> <a href="#">- H&amp;H UK (Cannabis Related Products)</a>	<input checked="" type="checkbox"/>	<input 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 <a href="#">- H&amp;H Italy</a>	<input checked="" type="checkbox"/>	<input 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: Litigation, Arbitration, and/or Penalties Case 1 - H&H Asia & Holding

<b>Issue Date</b>	2018-2023
<b>Topic</b>	Penalties related to financial disclosure compliance
<b>Summary of Issue</b>	The Securities and Futures Commission (SFC), the body responsible for regulating the securities and futures markets in Hong Kong, has opened a legal proceeding in The Market Misconduct Tribunal (MMT) against Health & Happiness (H&H) International Holdings Ltd for failing to disclose price sensitive information as soon as reasonably practicable. The proceedings in the MMT also included Mr Luo Fei, Chief Executive Officer and Chairman. Following the proceeding, the MMT has found that both Health and Happiness (H&H) and its chairman and its executive director Mr Luo Fei failed to disclose inside information as soon as reasonably and therefore issued them a fine.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	The hearing took place on June 25th, 2019. Both parties were found guilty in regards to breach of disclosure requirements under the Securities and Futures Ordinance (Cap. 571). The company and Mr Luo Fei were charged with a regulatory fine of HK\$1,600,000 each (~ USD 450,000.00 in total)
<b>Impact on Stakeholders</b>	The main stakeholders affected were H&H's shareholders and other investors trading on the SFC Hong Kong.
<b>Resolution</b>	The case is settled. <ol style="list-style-type: none"><li>The Company and Mr. Luo Fei had to pay regulatory fines of HK\$1,600,000 each, together with the Government's costs and expenses of the Proceedings and the SFC's investigation and legal costs of the Proceedings; and</li><li>Mr Luo Fei had to attend training on compliance with the disclosure obligations, directors' duties and corporate governance.</li></ol>
<b>Management Practices</b>	<ul style="list-style-type: none"><li>Mr Luo Fei attended training on compliance with the disclosure obligations, directors' duties and corporate governance required by MMT.</li></ul>

	<ul style="list-style-type: none"><li>• The Company has enhanced its financial forecasting mechanism to improve the accuracy of financial forecasts and avoid any unexpected significant change in financial performance.</li><li>• The Company has strengthened the communication and finance reporting frequency with the Board of Directors.</li><li>• The Company has set up guidelines regarding inside information disclosure at the Board level.</li><li>• The Company has conducted director's training on inside information disclosure.</li></ul>
Report	<a href="#">SFC Annoucement</a> <a href="#">H&amp;H Annoucement</a>
Related Incidents (Yes/No)	No



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation, Arbitration, and/or Penalties  
Case 2 - H&H Asia & Holding

Issue Date	2018-2023
Topic	Litigation related to contract dispute
Summary of Issue	In the last five years, H&H Hog Kong had one litigation related to a contract dispute with a service provider.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The case was settled with payment by H&H Hong Kong. The value of settlement represents around 0,1% of the company's revenues.
Impact on Stakeholders	The main stakeholder affected was H&H's supplier who initiated the lawsuit.
Resolution	The case is settled. The Consent of Summons was filed in July 2022.
Management Practices	The main trigger for the litigation is a service level discrepancy with the provider. H&H implemented more stringent criteria for selecting service providers in an attempt to mitigate similar issues from arising in the future.
Related Incidents (Yes/No)	No



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation, Arbitration, and/or Penalties - H&H USA

Issue Date	2018-2023
Topic	Litigation regarding false label claims
Summary of Issue	<p>Health &amp; Happiness (H&amp;H) USA has two correlated litigation cases related to false label claims on the company's products of the brand Zesty Paws. Specifically,</p> <ul style="list-style-type: none"><li>• The litigation Nutramax Laboratories, Inc. et al v. Zesty Paws LLC et al. claims that certain company's pet supplement products sold failed to satisfy label claims.</li><li>• The Litigation Carmen et al. v. Zesty Paws LLC, which is a class action complaint, refers to the same claims that certain company's pet supplement products failed to satisfy label claims.</li></ul>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Both cases were resolved through an amicable and confidential settlement agreement.</p> <p>Any financial implications of the settlement are confidential under the terms of the Confidential Settlement Agreements.</p>
Impact on Stakeholders	The main stakeholders affected were H&H USA customers and competitors.
Resolution	<p>Both cases are settled.</p> <p>In both cases, the parties entered into an amicable resolution of their disputes; and have resolved all claims and counterclaims asserted by each of them in a confidential settlement.</p>
Management Practices	<p>No implemented management practices were required as a result of both litigations.</p> <p>The company has continued with its dedication to manufacturing excellence and quality control.</p>
Report	<a href="#">Nutramax Laboratories, Inc et al v. Zesty Paws LLC et al.</a> <a href="#">Carmen v. Zesty Paws LLC</a>
Related Incidents (Yes/No)	No





# Disclosure Questionnaire Statement

**Disclosure Questionnaire Category: Significant layoffs of >20% of workforce  
- H&H UK**

<b>Issue Date</b>	December 2022
<b>Topic</b>	Significant layoffs due to the closure of an internal distribution center, which was replaced by a third-party partner.
<b>Summary of Issue</b>	<p>H&amp;H UK has experienced 2 rounds of layoffs in the last five years. These measures were taken due to a change in business strategy towards more profitability.</p> <p>In December 2019, the company decided to separate the UK from the EU team in the regional set-up, which led to 5 people being dismissed.</p> <p>In December 2022, the company switched its distribution center to a third-party one, resulting in 10 people being dismissed.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	In December 2022, 10 employees were laid off, representing 26% of the company's employees at that time.
<b>Impact on Stakeholders</b>	The primary impact was loss of employment for affected employees.
<b>Implemented Management Practices</b>	<p>The company provided support to all affected employees during both layoffs. This support included:</p> <ol style="list-style-type: none"><li>1. Redundancy Pay: Employees received redundancy pay, including bonus payment according to eligibility.</li><li>2. Outplacement support provided by the internal recruitment team and where needed and required by third-party providers.</li><li>3. Announcement of redundancy made at the beginning of the month, allowing people to focus the rest of the month on the job search.</li><li>4. Pay in lieu of notice</li></ol> <p>H&amp;H UK does not have a formal policy for managing hand-offs. The company adheres to relevant national legislation and legal requirements.</p>
<b>Related Incidents (Yes/No)</b>	No



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Animal Testing - H&H USA

<b>Topic</b>	The company voluntarily tests its pet products on animals for research and development reasons.
<b>Summary of Issue</b>	<p>H&amp;H USA is a manufacturing company that produces premium pet nutrition and personal care solutions by combining nature with science.</p> <p>Although animal testing is not required by law for pet nutrition, the company carries out testing of their pet products to validate product development. The tests are voluntary, meaning the animal can choose to consume or not the food/chews presented.</p> <p>According to the company " A pet food innovation is only considered a success if the end consumer – the pet – enjoys and readily consumes the food. This is why we run acceptability testings (treat-testing) for our products."</p> <p>The company outsources its animal testing to a third-party organization, which is inspected at the state and federal levels. The animal tests are:</p> <ul style="list-style-type: none"><li>• Non-invasive feeding studies on dog and cat food</li><li>• procedures are not unnecessarily duplicated</li><li>• dogs and cats are used in these protocols because they are nutritionally designed for dogs and cats</li><li>• animals are provided with socialization and appropriate care</li><li>• routine healthcare is provided</li></ul>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	97% of the company's products undergo animal testing. Animal testing only concerns pet nutrition and care activities under the brands Solid Gold and Zesty Paws.
<b>Impact on Stakeholders</b>	Animal testing and experimentation are widely used to develop and test the safety of new healthcare and/or food products. Many of these experiments can cause pain to the animals involved or reduce their quality of life in other ways.
<b>Implemented Management Practices</b>	The company only conducts acceptability testing (treat-testing) and partners with a regulated third-party facility which has strict protocols and welfare policy.

	<p>Furthermore, H&amp;H has its own Animal Welfare and Animal Testing policies.</p> <p>Animal welfare is an important material topic for H&amp;H. Accordingly, animal welfare is a key pillar of the company's sustainability strategy. As stated in the company's policies, Zesty Paws and Solid Gold brands limit the use of animal testing to acceptability and follow clear protocols.</p>
Report	<a href="#">Animal Welfare Policy</a> <a href="#">Animal Testing policy</a>
Related Incidents (Yes/No)	No



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Animal Testing - H&H China

<b>Issue Date</b>	On-going
<b>Topic</b>	The company is legally required to test its products on animals for research and development reasons.
<b>Summary of Issue</b>	<p>H&amp;H is a manufacturing company that produces premium pet nutrition and personal care solutions by combining nature with science.</p> <p>H&amp;H Research drives new products and technology developments that aim to meaningfully benefit consumer health through scientific innovation with new ingredients, formulations, formats, and packaging, while ensuring regulatory compliance and quality assurance.</p> <p>In the majority of cases, the Group develops and finalizes products without the use of animal testing. Nevertheless, animal testing may be legally required for new formulations and products related to health foods/dietary supplements when either no appropriate research models and/or human research models are available, or when assessments are required by national/international regulatory authorities for pre-market approval. Below are the circumstances when animal testing may be required:</p> <ul style="list-style-type: none"><li>• To satisfy regulatory requirements for commercialization;</li><li>• To evaluate the safety of a compound that will be used in a product;</li><li>• To obtain scientific evidence of the suitability of a product/compound for health benefits and use in vulnerable populations, such as infants and children, seniors, and pre-disease states;</li><li>• To support modes of action that allow for scientific advances in human and pet nutrition and health.</li></ul>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	1.2% of the company's revenue undergoes animal testing.
<b>Impact on Stakeholders</b>	Animal testing and experimentation are widely used to develop and test the safety of new healthcare and/or food products.

	Many of these experiments can cause pain to the animals involved or reduce their quality of life in other ways.
<b>Implemented Management Practices</b>	<p>The company has an animal testing policy which promotes the use of non-animal alternatives whenever feasible – and where animal testing is necessary, eliminating or reducing to the minimum any possible pain, suffering, distress, or lasting harm to the animal. This policy is applicable to animal testing performed internally by H&amp;H and externally by our research collaborators.</p> <p>The Animal Testing Policy includes:</p> <ul style="list-style-type: none"> <li>• Wherever possible, its adopts a scientifically satisfactory methodology or testing strategy that does not involve the use of animal testing (replace).</li> <li>• Optimize experimental design to ensure that the number of animals used during animal testing is reduced to a minimum (reduce).</li> <li>• Ensure the refinement of breeding, accommodation, care, and methods used in procedures to eliminate or reduce to the minimum any possible pain, suffering, distress or lasting harm to the animal (refine).</li> </ul> <p>Animal welfare is an important material topic for H&amp;H. Accordingly, animal welfare is a key pillar of the company's sustainability strategy.</p>
<b>Report</b>	<a href="#">Animal Welfare Policy</a> <a href="#">Animal Testing policy</a>



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Others - Cannabis Related Products -  
H&H USA

Issue Date	On-going
Topic	TH&H USA sells products containing cannabis derived products (CBD, organic hemp protein powder)
Summary of Issue	<p>H&amp;H USA is a manufacturing company that produces premium pet nutrition and personal care solutions by combining nature with science.</p> <p>The company sells pet products with hemp substances- pet supplements with Organic Hemp Protein Powder, CBD, CBN and CBG. While hemp is not a legal ingredient to be used in Pet Feeds in the US, which are regulated under AAFCO (Association of American Feed Control Officials) guidelines, products derived from cannabis/hemp are allowed in Dosage Form Animal Health Products (DFAHP) labeled under NASC (National Animal Supplement Council) guidelines. NASC has published Labeling and Testing Requirements for Members Marketing Products Containing Hemp or any Hemp Derivatives. Therefore, these products are not considered Animal Feeds but pet supplements.</p> <p>The 2018 Farm Bill removed Hemp from the list of Controlled Substances and defined hemp as Cannabis sativa L and “any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers” with no more than 0.3% THC.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the last fiscal year, 9% of the H&H US revenues were derived from the sale of pet nutrition products with cannabis products.
Impact on Stakeholders	Current regulations governing the legality of cannabis-derived products are complex in the United States due to a variety of federal, state, and local laws. Thus, the legal landscape around such products, particularly CBD, remains somewhat ambiguous at this time.



	While the risk of criminal prosecution may be low or negligible, B Lab encourages consumers, retailers, and manufacturers to conduct their own research based on individual circumstances to determine the legality of certain cannabis-derived products in one's jurisdiction.
<b>Implemented Management Practices</b>	<p>H&amp;H US is not involved in the sale of medicinal and/or recreational marijuana products.</p> <p>The company only sells pet supplements with hemp substances as allowed by the 2018 Farm Bill and regulated by NASC (National Animal Supplement Council) guidelines in Dosage Form Animal Health Products (DFAHP), in which the company (Zesty Paws) is a member.</p> <p>All cannabis ingredients are legally grown and transported and accompanied by a Certificate of Analysis showing the level of THC in each batch to ensure the raw material complies with the 2018 Farm Bill definition of Hemp as an ingredient well below the 0.3% legally allowed by the United States of America.</p>



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Others - Cannabis Related Products -  
H&H UK

<b>Issue Date</b>	On-going
<b>Topic</b>	H&H UK sells products containing cannabis (CBD)
<b>Summary of Issue</b>	<p>Health &amp; Happiness UK, a global health and nutrition company, founded CBII in 2019. CBII is a brand focused on CBD products such as food supplements and cosmetics (oils, gummies, balm and skincare).</p> <p>CBD is a non-psychoactive cannabinoid compound, the second most dominant ingredient in the Cannabis Sativa Plant. CBII sources CBD from legally grown, non-GMO plants from its partner in Switzerland.</p> <p>CBII products are legal within the UK, considered food supplements by the Food Standards Agency. In the USA, all states have their own Controlled Substance Acts (CSA).</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	In the last fiscal year around 36% of the H&H UK revenue was derived from the sale of CBD products under the CBII brand.
<b>Impact on Stakeholders</b>	Cannabis-related products are subject to controversy both because of their current and historic legal status around the world, as well as concerns about the potential harm that the products may cause. Current regulations governing the legality of cannabis-derived products are complex and vary widely by local jurisdiction.
<b>Implemented Management Practices</b>	<p>The company has partnered with Bod Australia, a cannabis-focused healthcare company working with leading universities and institutions in researching medicinal cannabis. For extraction, the company has teamed up with a Swiss CBD producer (Linnea SA) and developed a trademarked extraction process, ensuring standardized extracts.</p> <p>Every batch of the company's CBD oil undergoes third-party testing to verify its contents and THC levels are below the UK safety limit of 0.03%.</p>



	<p>Accordingly, the company received Novel Food validation from the UK's Food Standard Agency (FSA) for the full spectrum products.</p> <p>On the company's website, the company has the following disclaimer and User Guide with facts and information about CBD.</p> <p>"This product is not intended to diagnose, treat, cure, or prevent any disease. CBII™ oils, capsules and gummies are food supplements. Do not exceed the recommended intake. Food supplements should not be used as a substitute for a varied, balanced diet and healthy lifestyle. This product is not for use by or sale to persons under the age of 18. Not suitable for pregnant or breastfeeding women."</p>
Report	<a href="#">CBD FAQ</a> <a href="#">CBII User Guide</a>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Suppliers in Conflict Zones - H&H Italy

<b>Issue Date</b>	2018-2023
<b>Topic</b>	H&H Italy has one supplier located in Israel
<b>Summary of Issue</b>	<p>H&amp;H Italy is part of the Health &amp; Happiness (H&amp;H) Group, a global health and nutrition company that supports the whole-family health and happiness through premium brands providing nutrition and wellness solutions backed by science for pets and people. H&amp;H Italy distributes supplements under the Swisse brand.</p> <p>The company has one Tier 3 supplier located in Israel which is currently an active war zone. The supplier holds a patent on gummies technology: no added sugar, vegan, gluten free, no artificial colors and flavors.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	In the last fiscal year, 6,69% of the company's total expenses came from this supplier.
<b>Impact on Stakeholders</b>	<p>Business activities located in conflict zones are considered high-risk as they are more likely to cause or contribute to conflict and/or sociopolitical instability.</p> <p>Countries classified as conflict zones are more likely to have a weak rule-of-law or a corrupt judicial system, which could undermine the effectiveness of operational grievance mechanisms for these businesses and their suppliers. In addition, the safety of the company's workers and other potential human rights violations are at risk.</p>
<b>Implemented Management Practices</b>	The supplier has completed the company's annual supplier assessment in 2023 on SupplyShift, achieving a high score in the governance section, as well as in the subsection on anti-corruption. The supplier has an anti-bribery policy and trains its employees on this policy. They also have a Business Code of Conduct that includes bribery and anti-corruption, and employees are trained on an ongoing basis, at least once a year.

	Additionally, H&H Italy performs audits for all its contract manufacturers and has regular meetings (weekly) with its contract manufacturer's quality team. The main points of discussion are: Non-conformities, corrective and preventive actions, quality specifications, change controls, new project development, batch release and control analyses.
<b>Management Comments</b>	<i>"We are in close and regular contact with our supplier since the beginning of the conflict. There has been no impact on production, and we have received reassurance from the supplier that their workers are safe and not involved in the conflict."</i>