



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: Torani
 Date Submitted: 02/10/2023

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:

Torani

UPDATED AS OF:

12/14/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Water Intensive Industries
SUMMARY OF ISSUE	As a beverage manufacturer, Torani operates in an industry that is water intensive. Torani does not currently conduct assessments of how it compares with others in the industry.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 100% of revenue was earned from beverage manufacturing.
IMPACT ON STAKEHOLDERS	As a water intensive industry, beverage production poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. The water used by Torani is from the East Bay Municipal Utility District (EBMUD). The volume used on site does not impact other stakeholders that also rely on this water source. California has been in "drought warning" conditions since 2018, and was in drought conditions from 2012-2016.
IMPLEMENTED MGT PRACTICES	<p>Torani is currently collecting baseline water usage, wastewater, and product produced per gallons of water used metrics in their new factory/HQ which they moved into in 2020.</p> <p>Torani's goal is to have 2 full years of data by Q1 of 2024 to set a baseline to begin identifying opportunities for further water reduction measures. Specific reduction targets will be set when there is sufficient baseline data.</p>
MANAGEMENT COMMENTS	We have evaluated and looked for opportunities to reduce and reuse water resources. Specific reduction targets will be set when we have sufficient baseline data.



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: **Torani** UPDATED AS OF: **12/14/2022**

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Energy and Emissions Intensive
SUMMARY OF ISSUE	As a beverage manufacturer, Torani operates in an industry that is energy and emissions intensive. Torani does not currently conduct industry comparison assessments, measure energy intensity or carbon intensity per unit, or utilize any best practices related to minimizing energy use and carbon emissions.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 100% of the company's revenue was earned from the sale of manufactured beverages. Primary energy/emissions drivers are 11 propane aspirated forklifts, shipping and receiving raw materials and finished goods through a combination of trucks, rail, and ocean cargo.
IMPACT ON STAKEHOLDERS	Torani is a manufacturing facility that uses electricity and carbon-based fuels to produce syrups and sauces. The company contributes to global carbon emissions by using electricity as their primary source of energy at their plant.
IMPLEMENTED MGT PRACTICES	<p>Electricity is provided by PG&E delivering energy from solar, wind, hydropower, and nuclear sources: 48% of energy is renewable (solar, wind, geothermal, and biomass & waste), 39% nuclear, 4% hydroelectric, and 9% natural gas.</p> <p>Torani has reduced their shipping impact footprint through both near-sourcing bottles (moved from production in Taiwan to production in Mexico) and caps for 375 ml bottles (moving production from Germany to US), which in turn reduces their carbon footprint.</p> <p>Torani's HVAC system in the main office/administration areas meet the criteria in ASHRAE 62.1.1010. The use of HVAC filters- ASHRAE 52.1 2007 MERV rating of at least 8, with no air bypass reduces energy load.</p> <p>Torani is replacing their propane forklift fleet with electric as they retire at end of service/lease.</p> <p>In 2023, Torani will be erecting a solar array on their roof which will generate approximately 80% of the power needed to run their operations.</p> <p>Torani is collecting baseline energy and natural resources usage in the plant/HQ that they moved into in 2020. By Q1 2024, Torani expects to have 2 full years of baseline data to then identify and set reduction targets.</p>
MANAGEMENT COMMENTS	N/A



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Torani UPDATED AS OF: 02/10/2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Litigation, Arbitration, and/or Penalties
ISSUE DATE	January 2022
TOPIC	Pending Litigation related to Workplace Injuries and Employee Complaint
SUMMARY OF ISSUE	<p>There are two Pending Cases against Torani.</p> <p>Case 1: In 2022, A third party janitorial service was hired to clean up debris from Torani's production facility. An employee of that janitorial service was injured disposing of a large wooden crate. Torani had told the outsourced staffing service to stage the crates outside in order to be dismantled later for disposal. Torani claims this staffer acted on their own. Torani's attorney has said that although Torani is not at fault, and this should be settled through Worker's Compensation, Torani will likely be held liable for a percentage of the medical bills and legal fees.</p> <p>Case 2: In 2022, an employee working as a mechanic was injured on the job. They were placed on modified duty and could no longer perform their role at the facility. Torani allowed the employee to work from home, but as a mechanic, they could only do so much and eventually they could not perform their role. Torani let this employee go as, in addition to not being able to perform their role, their performance was behind that of their peers. This employee has sued for class action wage and hourly violations. The case became a class action suit when an additional employee joined the case. Torani agreed to settle through a mediation process.</p>
SCOPE	<p>Case 1: 1 plaintiff. The plaintiff rejected the settlement offer of \$50,000 from workers compensation.</p> <p>Case 2: 2 plaintiffs. Torani could potentially pay \$1.18 million on the class action case. This represents 0.56% of their revenue. The stakeholders are currently 2 employees but will potentially include the manufacturing/warehouse employees who represent >5% of their workforce.</p>
IMPACT ON STAKEHOLDERS	<p>Case 1: 1 injury requiring a visit to the doctor</p> <p>Case 2: 1 injury preventing the employee from performing their job. Additionally, there is potential for the class action case to include lost wages and hourly violations for Torani's workforce.</p>
RESOLUTION	<p>Case 1: Pending, court date scheduled for April 2023.</p> <p>Case 2: Pending, there is a preliminary agreement for a settlement that is awaiting a judge to certify and agree to the settlement amount.</p>
MANAGEMENT PRACTICES	Torani has ensured their processes are in place to prevent any further claims. This case will reset the slate for any wage and hourly claims to date.