



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: Celcoin
 Date Submitted: 04/05/2022

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:

Celcoin

UPDATED AS OF:

04/05/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Litigation
ISSUE DATE	Ongoing
TOPIC	Litigation cases from customers related to a variety of subjects
SUMMARY OF ISSUE	Multiple cases of litigation for a variety of subjects such as: Indemnity for Material Damage, Termination of Contract and Refund of Money, Abusive Practices, Fraud, Operational Error. There are 52 lawsuits currently pending judgement and 26 lawsuits settled/found against the company in the last 5 years.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	"The company settlement / litigation payments from litigation in the last 5 years and the total amount of the pendings cases are less than 3% of revenue.
IMPACT ON STAKEHOLDERS	"From the 26 settled cases, 15 cases were related to operational error in company's system of payment processes, 10 cases were related to fraud while buying products from seller using company's system and 1 individual claim. Of the 52 pending cases, 24 are cases related to operational error from third parties, 21 related to fraud - fake voucher issued in the name of Celcoin, 3 related to fraud on the part of sellers, and 4 related to API Customer processing."
IMPLEMENTED MGT PRACTICES	"The company has implemented Information Security measures, brochures on Money Laundering and Fraud Prevention; External and secure channel for complaints related to the behavior of internal and external agents; Consolidation of the Compliance team (with preventive analysis related to KYC (Know Your Client/Know Your Customer)/AML; Contract Approval Flow; Fraud Analysis Team; Time Control System, etc. Such measures were taken/improved to prevent further litigation, as well as to make the company's ecosystem more sustainable and safer for offering products."
RESOLUTION	26 cases were settled against the company in the last 5 years and 52 are still pending. Of the 52 cases, 28 are lawsuits against the company (CELCOIN) and 26 are lawsuits against third parties (Processes where the company was included in the passive role of the action, as it is part of the payment process).
RELATED INCIDENTS (YES/NO)	No