



TerraSana BV

Disclosure Report

Date Submitted: May 29th, 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	☐	☒
Biodiversity Impacts	☐	☒
Chemicals	☐	☒
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	☐	☒

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	☐	☒
Breaches of Confidential Information	☐	☒
Bribery, Fraud, or Corruption	☐	☒
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

	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	☐	☒
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	☐	☒
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	☐	☒

	Yes	No
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	☐	☒

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	☐	☒

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Suppliers located in Conflict Zones

Topic	Company has tier 2 suppliers located in Conflict Zones
Summary of Issue	TerraSana BV is in the manufacturing of food products, purchasing raw materials such as walnuts, dried mango and pinenut kernels from Dutch and Chez Republic suppliers who directly buy goods from conflict zones countries in Ukraine and Burkina Faso. Burkina Faso and Ukraine are considered conflict zones according to the list of fragile and conflict-affected situations (FCS) released annually by the World Bank Group (WBG) .
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	TerraSana BV purchases from Dutch and Chez Republic suppliers who directly buy goods from conflict zones countries in Ukraine, Burkina Faso and Russia. As a result from total revenue of TerraSana BV in 2023: • Revenue generated from Mango from Burkina Faso corresponded to 0.23% of the company's total revenue. • Revenue generated from Walnuts from Ukraine corresponded to 0.20% of the company's total revenue.
Impact on Stakeholders	Business activities located in conflict zones are considered high-risk as they are more likely to cause or contribute to the conflict and/or sociopolitical instability. 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.
Implemented Management Practices	Terra Sana BV has a Supplier Code of Conduct to make sure all their suppliers are committed to ethical practices, employee welfare, and transparency. It tries to mitigate risks while maintaining a responsible and reliable supply chain, contributing to stability in regions affected by conflict. TerraSana conducts an annual risk assessment of their stakeholders in general (considering new conflict areas) and an assessment of authentication and fraud per product category. If they have new suppliers from a risk area, this risk assessment is

	taken into account during the screening of the supplier. For the current suppliers, the company has long trade relations (>5 years). The relationships were established before the areas became conflict zones.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Product recalls

Issue Date	2020
Topic	Recalls due to exceeding maximum residual limits of specific ingredient and presence of a small metal part.
Summary of Issue	TerraSana BV is an organic food product manufacturer and has had multiple recalls of their products over the last 5 years from 2019 till 2023. The recalls were done for the following reasons: Quality related recalls There were a total of 6 recalls over the last 5 years due to quality related issues. • (2019) 1 Recall of walnuts due to mold • (2019) 1 Recall of peanut butter due to aflatoxin presence. • (2020) 1 Recall of buckwheat noodles due to the presence of gluten allergen. • (2020) 1 Recall of naan bread due to mold as a result of packing line issue of supplier. • (2020) 1 Recall of Sushi ginger due to oxidized lids • (2020) 1 Recall of organic sushi rice due to the presence of insects. All these recalls were as a result of ingredients sent by suppliers and not detected during the incoming QA inspection (which is always a random check). The issues were detected at a later stage when the product was already delivered to the customers. Operational team was unaware of the presence of the allergen. Taste quality related recall (taste not up to standard) There was 1 recall case in relation to taste quality over the last 5 years. • (2022) Recall of sunflower seed paste where the taste of the seeds become rancid before expiry date. This recall was due to poor quality of the ingredient the supplier missed during product testing. This deviation was not seen until the issue was reported by customers.

	Recalls due to presence of unwanted objects There were a total of 2 cases over the last 5 years due to this issue. • (2023) 1 recall by TerraSana of their cashew pasta product as there were pieces of silicone found from a broken part of a spoon that was used to clean the machinery which was left in the machine before the next production. • (2023) Big piece of glass found in pesto rosso product, brought forward by a customer complaint. TerraSana immediately recalled the batch of pesto rosso from the market. Upon investigation by TerraSana's supplier it turned out that their glass rinser was doing its job, however this big piece of glass was stuck in the neck of the bottle which left the pieces of glass in the pesto rosso. Both cases were as a result of poor quality checks by suppliers.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Quality related recalls (2019) 1 Recall of walnuts due to mold : 144 boxes representing 3,68% of overall sales of walnuts in 2019. (2019) 1 Recall of peanut butter due to aflatoxin presence : 842 boxes representing 3,58% of overall sales of peanut butter in 2019. (2020) 1 Recall of buckwheat noodles due to presence of gluten allergen : 596 boxes representing 5,85% of overall sales of buckwheat noodles in 2020. (2020) 1 Recall of naan bread due to mold: [513] boxes representing 4,64% of overall sales of naan bread in 2020. (2020) 1 Recall of Sushi ginger due to oxidized lids: [3218] boxes representing 79,08% of overall sales of Sushi ginger in 2020. The high % of overall production represented by this recall has been attributed by the company to receiving two deliveries a year from the supplier. (2020) 1 Recall of sushi rice due to presence of insects: 355 boxes representing 12,7% of overall sales of sushi rice in 2020. Taste quality related recall The recall involved 257 boxes of sunflower seed paste, representing 14.68% of overall sales of the product in 2022. Recalls due to presence of unwanted objects • Cashew pasta product recall involved 253 boxes, representing 9,4% of overall sales of Cashew pasta in 2023.

	Pesto rosso, product recall involved 1252 boxes, representing 49% of overall sales of Pesto rosso in 2023.
Impact on Stakeholders	Almost all reasons for recalls harbor a risk for the end consumer, which is why the products were recalled. However the company has confirmed that there were no injuries or health illnesses reported in relation to these recalls.
Resolution	Company requested from customers to destroy the products in each of the recalls and the affected customers were fully refunded.
Implemented Management Practices	As part of quality control, TerraSana has taken several actions to understand why the quality and taste related issues had arisen. The reason found is related to being inherent to either the product (sulfates are naturally occurring in plants) or taste due to production quality. To prevent this, TerraSana has increased product testing and reviewed supplier processes to make sure issues related to mold and taste do not reoccur. Several actions have also been taken to prevent the presence of unwanted objects in TerraSana products in the future: TerraSana has introduced a shadow wall for all their equipment used in the production and has implemented extra checks on broken parts. The company also requested that the supplier purchase an extra X-ray machine that was installed 2 months after this event, to detect glass or unwanted objects.
Management Comments	In the organic market, recalls of products more often due to several reasons: Relatively more small authentic production companies were involved. When TerraSana reflects on the recalls they had in the past 5 years, the company sees that the causes are all very different. There is not one root cause or company is unable to point out a specific gap in their quality system. Every recall will have its own preventative action.
Related Incidents	The company has experienced 2 recalls in relation to products not reaching organic standards.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Water Intensive Industry

TerraSana BV is involved in the production/sale of products, or is part of an industry that can potentially be classified as water intensive, meaning that they are more likely to have significant impacts on the environment, such as water stress or depletion of local water sources if water use is not appropriately managed. Certified B Corps are required to make transparent their involvement in such activities or industries.

Any party aware of specific company practices that have had a negative impact related to its involvement in these or other controversial industries, and which may constitute a violation of the B Corp standards, may contact us via our [public complaints procedure](#).