



## 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: Danone Waters Spain  
 Date Submitted: 11/11/2022

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: Danone Waters Spain

UPDATED AS OF: 11/11/2022

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Litigation and Penalties
<b>ISSUE DATE</b>	2017; 2018 (date of case closing); 2019
<b>TOPIC</b>	Tax Litigation
<b>SUMMARY OF ISSUE</b>	<p>There are 3 tax related litigation cases pertaining to the tax years 2009, 2017, and 2019 all of which pertain to interpretation of tax law. In one of these cases, the company was found to owe additional taxes, along with interest and fines and the other two are pending or being being appealed.</p> <p>In all 3 cases there are discrepancies of criteria (due to interpretation or due to change in the initial criteria given by the Tax Authorities): in one case the deduction of some management fees expenses invoiced by the company's headquarters in Paris (resolved), second case in terms of sponsorship for the computation of the Corporate Income tax credits related to a sporting event (pending), and the third one about discrepancies in the computation of intercompany flows (pending).</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>The resolved case resulted in tax payment of 4.2 million EUR, interest of 1.8 million EUR, and fines of 40,000 million EUR.</p> <p>The pending cases would represent ~15 million EUR in payments if found against the company.</p> <p>Some of these payments are still being disputed in court.</p>
<b>RESOLUTION</b>	One case was closed in 2018 and the other two are still ongoing.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>Danone Waters is part of Danone, that has a Tax Policy, that has been published in its web site since 2016, with the commitment to manage the taxation of all its subsidiaries in a responsible way, specifically to ensure that no artificial or fraudulent fiscal scheme is being used.</p> <p>The company has been making efforts to improve and implement a new contract with the headquarters that regulates the management fees, where now much more information is specified.</p>
<b>REPORT</b>	<a href="https://www.danone.com/content/dam/danone-corp/danone-com/about-us-impact/policies-and-commitments/en/2021/danone-tax-report-2021.pdf">https://www.danone.com/content/dam/danone-corp/danone-com/about-us-impact/policies-and-commitments/en/2021/danone-tax-report-2021.pdf</a>