



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

PROVIDED BY:

Alessi s.p.a.Società Benefit

UPDATED AS OF:

12/10/2020

| 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 | | ✓ |
| 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 | | ✓ |

| Other Disclosures | Yes | No |
|-------------------|-----|----|
| | | ✓ |
| | | |

| 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:

Alessi s.p.a.Società Benefit

UPDATED AS OF:

12/10/2020

| | |
|--|--|
| DISCLOSURE QUESTIONNAIRE CATEGORY | Significant layoffs of >20% of workforce |
| ISSUE DATE | 2019 |
| TOPIC | Significant layoffs due to downsizing factory. |
| SUMMARY OF ISSUE | <p>In January 2019, Alessi SpA announced 80 redundancies, out of a total of 320 employees at the Crusinallo (VB) site, due to a market crisis that had become structural, after 3 consecutive years of loss. This was the first layoff operation in the history of the company, which will turn 100 in 2021. The choice of the company, historically outstanding in terms of care for people, was - in agreement with trade unions - to activate a period of Extraordinary Redundancy Fund of 10 months, during which the company would have encouraged and supported voluntary exits, with the aim of avoiding collective dismissal procedures.</p> <p>Alessi has therefore planned a series of actions in order to encourage people to leave, and worked in collaboration with the Buon Lavoro Foundation - an independent and autonomous subject constituted by Michele Alessi, former Vice President and Chief Executive Officer of the Company - to seek alternative employment opportunities for those who had made that decision or were considering making it. Below is a summary of the project through which the company managed the state of crisis, committing to the care of people even when leaving Alessi.</p> |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | 80 employees were laid off, representing 25% of the company's employees at that time. |
| IMPACT ON STAKEHOLDER(S) | <p>No one was forced to leave Alessi: every single person who decided to leave, did it by free choice.</p> <ul style="list-style-type: none">• The operation, even if with voluntary exits, allowed older people (close to retirement) or those with greater work difficulties (long absences) to leave.• All the people asking to leave were accepted in agreement with functional heads who dealt with those exits by reassigning the workload among the remaining people, in some cases with "tactical" solutions (to be resumed at the end of the operation) and in other cases with definitive solutions.• All the requests of exit were handled individually by the company and the trade unions, who worked jointly also in order to avoid choices based solely on economic incentives that would have ended with greater difficulties for the most fragile people |

**IMPLEMENTED MGT
PRACTICES**

In order to support employees choosing to leave the company, Alessi worked on 3 assets: a) an integrative economic indemnity (40k € per person, no matter their position or salary, offered by the Alessi family shareholders).

Of the 82 people who left the company at the end of the program:

- 39 retired, thanks to the conditions offered by the company (pension slide)
- 19 found another job as employees in other local companies (same - or better - contract and salary)
- 11 have set up their own business (self employment or start up, accompanied by the "La mia impresa" project we offered (training and business incubator)
- 8 freely chose to stop working (mostly factory workers with a part time job)
- 5 chose to leave the company without a certain path, and are still followed by the Buon Lavoro Foundation (Michele Alessi, former CEO).

If in the 10 months period the company did not reach the number of 80 voluntary exits, the company would have had no choice but proceeding with forced layoffs, as agreed with unions and local government. Please note that - as strongly requested by trade unions - during the crisis period there wasn't a list of persons to lay off: Alessi just identified a number of redundancies (80), according to the needed resizing, and let any person freely decide to stay or leave (after finding another solution and without knowing if their specific position was at risk or not).