



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: Bodega Araujo

Date Submitted: 07/27/2022

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:

Bodega Araujo

UPDATED AS OF:

07/27/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Biodiversity Impact and Monoculture Agriculture
SUMMARY OF ISSUE	As a vineyard and winery, Bodega Araujo operates in an industry in which biodiversity impact and monoculture agriculture are material environmental issues.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	<p>In the previous fiscal year, 36.65% of Bodega Araujo's revenue was earned from the sale of wine</p> <p>The company owns 9,335 hectares under control. The crops that are cultivate are:</p> <ul style="list-style-type: none"> -Vineyards: a total of 64 hectares are cultivated, 0.7% of the land under control -Organic plum: a total of 120 hectares are cultivated, 1.3% of the land under control -The following crops are grown to feed livestock: <ul style="list-style-type: none"> --Corn: a total of 200 hectares are cultivated, 2% of the land under control --Sorghum: a total of 200 hectares are cultivated, 2% of the land under control --Rye: a total of 100 hectares are cultivated, 1% of the land under control <p>8651 hectares are not cultivated, 93% of the land under control.</p>
IMPACT ON STAKEHOLDERS	Agriculture, particularly in cases where a single crop is cultivated at a time, poses a risk to local ecosystems of flora and fauna as well as the potential degradation of cultivated land.
IMPLEMENTED MGT PRACTICES	<p>"he company does not have any specific policies for biodiversity conservation, as they employ organic production standards and engage in extensive cattle breeding, which contribute to this objective. In yearly cultivation cycles, crops are rotated between grass species and legumes, and the tilling of the soil is reduced to a minimum. To avoid wind and water erosion, coverage rubble is left. In perennial crops, agrochemicals are not used and are fertilized with organic fertilizers. The perennial crops are organically certified, so no chemical products are used on those crops. For annual crops that are not organically certified, pesticides are only used in cases where the level of pests exceeds a certain threshold. Fertilizers are also only used when nutrient levels of the soil are very low. The company always seeks to minimize and bring to zero the use of all chemical synthesis products, as none are used in the plantations with organic certification.</p>

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DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Water Intensive Industries
SUMMARY OF ISSUE	As a vineyard and winery, Boedga Araujo operates in an industry that is water intensive. Aspects of the industry that make it water intensive include irrigation used in the cultivation of vines, water used in the winemaking process (e.g. for cleaning tanks and barrels), and water used in the bottling process.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 36.65% of Bodega Araujo's revenue was earned from the sale of wine 100% of the company's vineyards and organic plum plantations are irrigated. The vineyards are irrigated using traditional irrigation (also known as gravity irrigation). On the other hand, 100% of the organic plum plantations are irrigated by pressurized drip irrigation. The average ratio of liters of water used per liter of wine produced is 3 liters of water for every liter of wine.
IMPACT ON STAKEHOLDERS	As water intensive industries, agriculture and wine production poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. The main water source used is melted ice from the mountains, which consists of 90% of water used. This does not affect neighbors as the amount of water used is what determines the irrigation.
IMPLEMENTED MGT PRACTICES	The region is considered water stressed due to the lack of winter snowfall in the mountains, which causes subsequently a lower amount of melting in the spring, creating less water for the planting season. Therefore, irrigation has less water to distribute among the regents, and each one receives less water. The impacts observed as a result of this are a decrease in vigor and productivity. The company has taken action to incorporate irrigation technology, install drip irrigation in a large area to increase the efficiency of water use and allow the increase in production, also reducing periods of water stress.

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DISCLOSURE QUESTIONNAIRE CATEGORY	Alcohol
TOPIC	Company produces alcohol products
SUMMARY OF ISSUE	Bodega Araujo is a winery that earns a material amount of revenue from the sale of alcohol.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 36.65% of Bodega Araujo's revenue was earned from the sale of wine
IMPACT ON STAKEHOLDERS	Alcohol may have a negative impact on the health and well-being of individuals and their communities
IMPLEMENTED MGT PRACTICES	The company complies with all of the regulations and laws related to the sale of alcohol in the jurisdictions where they operate. To ensure the responsible consumption of alcohol, the company includes references to responsible drinking on their social media sites, especially Instagram, and clearly prohibits the sale and consumption of alcohol to those under 18 years of age. The company also trains their salesforce in three main areas: commercial aspects of sales, information on the wines themselves (production, processing, and technical information), and the impact and communication strategy of the winery to ensure they are adequately trained.

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DISCLOSURE QUESTIONNAIRE CATEGORY	Animal Products and Services
TOPIC	Company operates an animal farm and has direct control over the treatment of animals in its care.
SUMMARY OF ISSUE	On the reserve, extensive livestock breeding is carried out without overcrowding, to ensure high levels of animal welfare.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The company has 1000 breeding cows and 80 bulls, and the livestock activity represents 20.13% of revenues for the last fiscal year.
IMPACT ON STAKEHOLDERS	Natural breeding and rearing practices are used on grassland, which is a pillar of animal welfare. Company raises the animals on open land where they graze on natural grass, meaning no hormones, chemicals, or inhumane over-crowded housing.
IMPLEMENTED MGT PRACTICES	The company does not set any targets/ KPIs on animal welfare and does not publicly report on their progress. The company does not work with any third parties or implement any innovative practices on animal welfare.