



Lab
Global

AustroCel Hallein GmbH

Disclosure Report

Date Submitted: May 1st, 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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chemicals	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Energy and Emissions Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Water Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input checked="" type="checkbox"/>	<input type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Biodiversity Impact


Issue Date	March 5, 2024
Topic	Biodiversity Impact
Summary of Issue	The company produces pulp from wood input materials, and operates in an industry in which biodiversity impact is a material environmental issue.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the reported fiscal year, 79.2% of the company's revenue was earned from the sale of its pulp products.
Impact on Stakeholders	Paper and pulp products utilize wood as the primary input material, which poses a threat to ecosystems and may contribute to deforestation if the materials are not sourced responsibly
Implemented Management Practices	<p>100% of the raw materials sourced are discarded materials from sawmills that are PEFC-certified. Also, the company is PEFC certified in 2022 and valid till 22 Oct 2027.</p> <p>With PEFC certification, the company is committed to purchasing resources that are sustainability-managed and to protect the forest.</p>
Report	https://pefc.org/discover-pefc/what-is-pefc#:~:text=PEFC%2C%20the%20Programme%20for%20the,through%20independent%20third%2Dparty%20certification.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Energy and Emissions Intensive Industries

Topic	Energy and Emissions Intensive Industries
Summary of Issue	Besides pulp production, the company is a renewable energy provider by providing green electricity (biogas & bioethanol) for its production and to the neighborhood in Salzburg, Austria.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the reported fiscal year, 20.3% of the company's revenue is generated from providing green electricity.
Impact on Stakeholders	The process of pulp production is energy intensive, which in turn contributes to global carbon emissions. The process also releases other emissions such as NOx and SO2 which can affect air quality near the company's operations.
Implemented Management Practices	<p>The primary source of the company's energy, 97% is bio-based from their bio-ethanol power plant. The company has not been using fossil-fuel electricity sources since then. The company generates biogas & bio-ethanol - green electricity from pulp production & wastewater treatment processes. 100% of the company's energy consumption is from the renewable energy they generate and the company also provides renewable energy to the neighborhood in Salzburg, Austria. As a green electricity provider, the company is obliged to comply with many energy laws and reporting schemes and regular investment in equipment and processes to optimize the process and further reduce energy consumption. The company is SURE & ISCC EU certified as a sustainable & renewable energy provider.</p> <p>The company is currently working with professionals to improve and further substantial reduction of energy (and water) consumption. The company's reduction target for energy consumption is to reduce 10% as compared to the previous year. The company has a goal on carbon emissions that the entire plant will operate free of CO2 from fossil fuels by 2030, and the production will take place on a climate-neutral basis. The company is a partner of the Salzburg 2050 climate and energy strategy to reduce energy consumption and carbon</p>



<https://www.austrocel.com/en/environment/#emissions>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries -
Water Intensive Industries

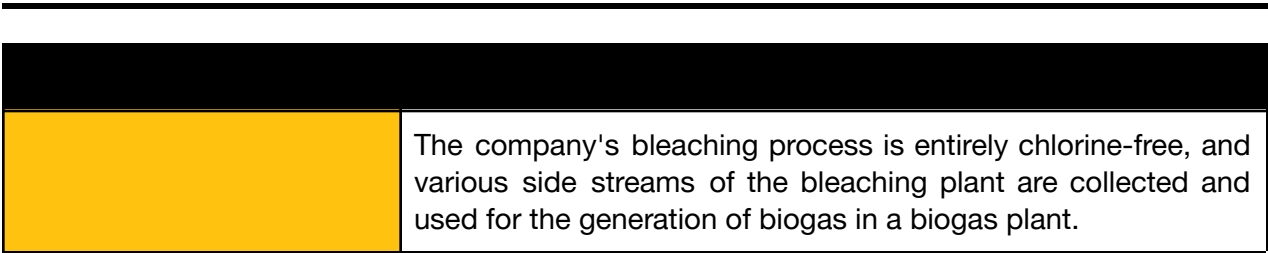
Topic	Water Intensive Industries
Summary of Issue	The company produces pulp from wood input materials, and operates in an industry in which biodiversity impact is a material environmental issue.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the reported fiscal year, 79.2% of the company's revenue was earned from the sale of its pulp products.
Impact on Stakeholders	As a water-intensive industry, pulp production poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. All of the water used by the company is sourced from three onsite wells owned by the company, which do not affect the water use of other stakeholders.
Implemented Management Practices	<p>The company has been tracking key performance indicators (KPIs) regarding its water use, including overall water consumption and several wastewater indicators including pH and the levels of various solids and metals in its wastewater to ensure compliance.</p> <p>The company does not have specific reduction targets regarding water volume. However, any new machine that is built has to comply with the best available technology (BAT), so water is reduced step by step by using the best technology.</p>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Chemical Intensive Industries

Topic	Chemical Intensive Industries
Summary of Issue	<p>As a company that produces pulp from wood input materials, the company operates in an industry in which chemical use is a material environmental issue.</p> <p>The aspects of the production process that are chemically intensive are the digestion of the woodchips, which are digested chemically in a pressure vessel using a digestion liquor at high temperature over a period of approximately eight hours, and the chemical bleaching and washing stages.</p> <p>The main chemicals used by the company are: NaOH, H₂O₂; MgO; O₂; sulfur; H₂SO₄.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the reported fiscal year, 79.2% of the company's revenue was earned from the sale of its pulp products.
Impact on Stakeholders	As a chemical intensive industry, pulp production poses risks to the environment such as pollution of air, land, and water, as well as potential human health risks to those exposed to harmful chemicals.
Implemented Management Practices	<p>Daily key performance indicators regarding chemical use have been established and track volume of all chemicals used. The company installed a new pressure diffuser in the bleaching plant to reduce the amount of the main chemical, NaOH. The company also installed a new wood chip screening process that reduces the proportion of oversized chips (crushing by crushing) on the one hand and the proportion of fine material on the other. All in all, this reduces the use of cooking acid and increases the digester fill level.</p> <p>The company monitors the contents of all of its wastewater regularly and has several wastewater treatment plants within its production processes as well as a separate one at the end of the process.</p>





Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Hazardous Discharges Into
Air/Land/Water

Issue Date	February 6th, 2021
Topic	Accidental discharge of SO ₂ from production facilities
Summary of Issue	The company experienced an accidental discharge of SO ₂ from its production facilities due to a mechanical failure. Which also resulted in an accidental fatality of an employee because of severe burns.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	A fine was levied on the company by the Salzburg Regional Court which represents 0.11% of the company's revenue
Impact on Stakeholders	SO ₂ poses a potential harm to human beings, animals and plants. In this instance, some trees nearby the company's facilities experience a loss of leaves.
Resolution	Hallein district authority visited the mill several times for inspections (Seveso inspection) to conclude compliance.
Implemented Management Practices	<p>The company has invested heavily in the renewal of the pipelines and carried out additional safety analyses across the entire plan (Mill Risk Concept) and as well installed a new department titled "Technical Compliance".</p> <p>The company states it is in full compliance with worker and safety regulations.</p>
Related Incidents (Yes/No)	No

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation, Arbitration, and/or Penalties along with On-site Fatality

Issue Date	June 2021
Topic	Litigation: Criminal Charges resulting from On-Site Fatality
Summary of Issue	<p>AustroCel Hallein is a pulp manufacturing company and a renewable energy provider. There was a fatal accident in June 2021 involving an employee due to the rupture of a Sulfur Dioxide pipe during production. The result of the initial investigation was that the company did not perform timely health & safety (H&S) inspections both internally and externally. As a result, the corrosion-damaged pipe went unnoticed and ultimately exploded.</p> <p>The company & four of its workers were accused of grossly negligent homicide, negligent environmental impairment, and negligent bodily harm by the Hallein Municipal Council.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>The criminal proceedings took place on 1,3 & 8 August 2023 where the company was charged with gross negligence along with its former managing director were convicted exclusively of simple negligence - in concerto negligent homicide, negligent harm to the environment, and negligent bodily injury.</p> <p>The conviction of the company was based on the fact that the former managing director, and his actions are therefore to be attributed to the company. The other co-defendants were acquitted in case of doubt.</p> <p>The company was sentenced to a fine of EUR 150,000 (15 daily sentences of EUR 10,000 each).</p> <p>The company was also ordered to pay the costs of the criminal proceedings. These consist of a fixed contribution to costs, which ranges between EUR 250 and EUR 3,000. Furthermore, the interpreter fees of the witnesses were added. The expert fees were also added to this amount. The expert fees increased by the costs of the presence of the experts at the main hearing and the storage costs for the pipes.</p>

	<p>A victim was awarded EUR 300,- in damages by the court. This amount was paid by the convicted persons as soon as the judgment was legally binding.</p> <p>The accident insurance institution was referred to the civil courts with its claims (widow's pension), as no gross negligence was established.</p>
Impact on Stakeholders	One fatality that would have a negative emotional, mental, and financial impact on the family members, friends, colleagues, and company of the employee involved in the fatal accident.
Resolution	The case was closed, with the settlement being paid.
Management Practices	<p>Since the incident, AustroCel has implemented practices to mitigate similar occurrences.</p> <p>The company has since renewed the piping in the affected area. The company was shut down for 8 months to work on improvements and renovation.</p> <p>The company conducts daily briefings to its employees before the start of their shifts to highlight the H&S processes and procedures to be aware of. Depending on the situation, the company would also provide training and inform them of any accidents that have occurred.</p> <p>AustroCel has a "Safety Behavior Training", which is a 2-days training and all employees are required to attend it on an annual basis.</p> <p>The company has also established an "Emergency SOP" which outlines the Lockout/Tagout procedure and gives authority to several personnel which includes the safety manager, safety officers, industrial technicians to shut down the process when necessary.</p> <p>Additionally, AustroCel has engaged with a third-party consultant to carry out a hazard analysis for all activities and processes involved in production and in the production plant.</p> <p>The company has sent two of its employees for industrial safety training to ensure they would have certified industrial technicians in-house.</p>
Related Incidents (Yes/No)	No