



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: Aveda Corporation
Date Submitted: 12/09/2022

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: Aveda Corporation

UPDATED AS OF: 12/09/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Suppliers in Conflict Zones
TOPIC	Aveda Corporation has part of their supply chain based in conflict affected areas of Venezuela and Israel.
SUMMARY OF ISSUE	Aveda Corporation is a personal care company that supplies part of their raw materials and legal services from Israel, Venezuela and Mexico. Venezuela is in the List of Fragile and Conflict-affected Situations of the World Bank of 2022. Israel is classified as conflict zone by the Council on Foreign Affairs due to the Israeli-Palestinian conflict.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Less than 1% of the company's expenses were with suppliers located in conflict affected areas in 2021.
IMPACT ON STAKEHOLDERS	As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.
IMPLEMENTED MGT PRACTICES	Aveda Corporation claims that all their suppliers are required to sign a Code of Conduct and/or Third Party ESG assessments (EcoVadis). The Code outlines their expectations on quality, health and safety, environment, labor conditions and human rights — including zero tolerance policy regarding prisoners, slave labor and human trafficking. They also have an ongoing audit process that includes independent third party assessment.



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Aveda Corporation

UPDATED AS OF: 12/09/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Litigation and Arbitration
ISSUE DATE	2017 - 2022
TOPIC	Litigation and Arbitration related to Website Accessibility and Labor Disputes
SUMMARY OF ISSUE	<p>1. Website Accessibility: Aveda was the plaintiff in two cases related to website accessibility issues. The cases centered around Aveda's compliance with the Americans with Disabilities Act, and alleged that Aveda didn't properly address barriers to website accessibility.</p> <p>2. Labor Disputes: Aveda was involved in 8 material cases related to workers and applicants:</p> <p>2.a. 4 cases were filed by Aveda employees. Topics included alleged discrimination, harassment, and wrongful termination.</p> <p>2.b. 1 case was filed by an applicant for a position with Aveda Services Inc.</p> <p>2.c. 3 cases were filed by former Aveda Institute students. Topics included alleged unlawfully denied wages and harassment.</p>
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	All cases highlighted above were settled for a total amount less than \$200k.
IMPACT ON STAKEHOLDERS	The cases highlighted above affected employees, applicants, students, and individuals that identify as having a disability.
RESOLUTION	<p>1. Website Accessibility -- Both cases were settled out of court.</p> <p>2. Labor Disputes -- All described cases settled out of court for undisclosed amounts.</p>