



Bolsius International B.V.

Disclosure Report

Date Submitted: October 3rd, 2023



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.

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 type="checkbox"/>	<input checked="" 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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

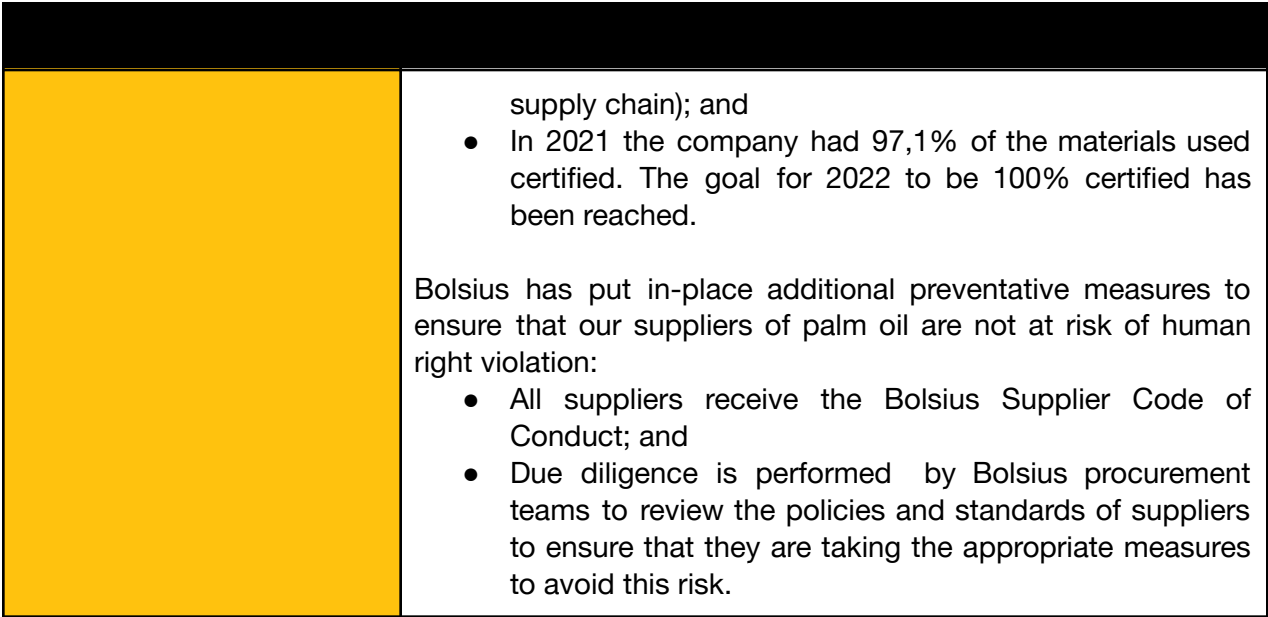
	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental 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: Industries at Risk of Human Rights Violations

Issue Date	Ongoing
Topic	The company uses palm oil in its candles. This raw material presents risks of violating human rights in its supply chain.
Summary of Issue	Bolsius International B.V. produces and sells candles that contain palm oil. As a purchaser of palm oil, they operate in an industry in which human rights issues such as forced labor and child labor are at risk. The company has practices in place related to the use of palm oil, helping to mitigate the risk of human rights and labor abuses, and environmental degradation in this supply chain.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The company uses palm oil, which represents 18.8% of the raw materials used in 2020. The use of palm oil in 2021 represented 17.5% of raw material usage. Bolsius International B.V. stated that it is accelerating the usage of plant-based alternatives with the introduction of innovations.
Impact on Stakeholders	High risk supply chains such as palm oil have a history of forced and child labor, which subjects workers to poor working conditions, low wages, and puts children at risk for human trafficking.
Implemented Management Practices	<p>The company has practices in place to mitigate the risks associated with the palm oil supply chain:</p> <ul style="list-style-type: none">• Since 2017 the company is a member of the Roundtable on Sustainable Palm Oil;• In 2020, the company's board made a decision to transition to 100% certified materials via a mix of Book&Claim (supply chain model that supports the production of RSPO-certified sustainable oil palm products through the sale of RSPO Credits. One RSPO credit represents one metric tonne of RSPO-certified sustainable oil palm product) or Mass Balance (MB supply chain model is a system which, on a purely administrative level, monitors the trade of RSPO-certified palm oil products throughout the entire





Disclosure Questionnaire Statement

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

Topic	Energy and Emissions Intensive Industries
Summary of Issue	<p>Bolsius International B.V uses the industry standard ingredient for candle production: paraffin. This raw material comes from purification of Slack wax, a by-product of the refining of Petroleum.</p> <p>The refining industry is a major energy consumer, accounting for about 8% of delivered industrial energy consumption in OECD countries and about 6% of delivered industrial energy consumption in non-OECD countries throughout the 2012–40 period. See: https://www.eia.gov/outlooks/ieo/pdf/industrial.pdf.</p> <p>Traditional refining of paraffin / slack wax is an energy-intensive process within the candle industry. The company internalized the last cleaning and blending steps of the refinery process, which increases its Scope 2 emissions but reduces overall life cycle emissions.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>In the previous fiscal year, 97% of the company's annual revenue was earned from the sale of candles.</p> <p>Bolsius reported a carbon footprint of approximately 300,000 tons of CO2 eq. which represents approximately 3.5 tons of CO2 eq. per ton produced in 2021.</p>
Impact on Stakeholders	<p>Energy-intensive industries pose an environmental risk due to the emissions produced by such energy use. The extent of environmental impact is dependent on the energy sources utilized and management practices in place to manage energy use.</p> <p>Our EMS reporting for FY20 shows that the main energy sources used by our company in kWh are natural gas (45%), renewable electricity (31%), non-renewable electricity (20%), and district heating (4%). Additionally, the company consumes in total 176.000 liters of diesel and petrol for transportation</p>

	<p>purposes.</p> <p>The main contributors to the company's carbon footprint come from Purchased Goods (58%), Electricity consumption (24%), Upstream transportation (13%), and Gas consumption (5%).</p>
<p>Implemented Management Practices</p>	<p>Bolsius International B.V has developed an environmentally innovative manufacturing process using sustainable storage, district heating, and twin cargo distribution. According to the company, this results in a yearly saving of 997 tons CO2-equivalent,</p> <p>In 2020 the company fully switched its production facility in Poland from non-renewable electricity to renewable electricity,</p> <p>To reduce its scope 3 emissions from purchased goods and consumption, the company is constantly working on developing candles with more natural renewable ingredients,</p> <p>To minimize its energy use and carbon emissions, Bolsius International B.V. uses a Life Cycle Assessment Tool to eco-design its products in the innovation pipeline,</p> <p>The company defined its 10-year sustainability strategy with a vision of contributing to a net zero Europe and is currently in the process of defining Sciences Based Targets and a Climate action plan,</p> <p>In order to meet its targets, Bolsius has identified 5 steps:</p> <ul style="list-style-type: none"> • Train and build awareness with all employees about the usage and spillage of energy; • Projects to implement small changes in equipment or steering devices aiming to reduce energy consumption, e.g. when large production lines are not running all devices should be powered down; • Structural change layouts of production lines and infrastructure to reduce energy consumption; • Integrate energy flows within the factory to use otherwise wasted energy; and • Generate our own renewable energy.



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 candles, Bolsius International B.V. operates in an industry in which chemical use is a material environmental issue.</p> <p>Currently, the company is using 2-(4-tert-butylbenzyl)propionaldehyde (also known as lilial) which is considered a Substance of Very High Concern by REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) regulations since July, 2021.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>In the previous fiscal year, 97% of the company's annual revenue was earned from the sale of candles.</p> <p>About 0,6% of the company's products have 2-(4-tert-butylbenzyl)propionaldehyde in its composition</p>
Impact on Stakeholders	<p>The production of candles involves the use of chemicals, which, if not appropriately managed, pose 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.</p> <p>REACH registrations identify that this substance 2-(4-tert-butylbenzyl)propionaldehyde is harmful if swallowed, is harmful to aquatic life with long-lasting effects, causes skin irritation, and may cause an allergic skin reaction.</p>
Implemented Management Practices	<ul style="list-style-type: none">• To buy the raw materials, the company investigates which chemicals they contain, identifying the potential hazards of these chemicals, based on the European REACH Regulation,• The company stated that it does not trigger health or environmental warnings on the label, except for some warnings on fragrance products: it accepts warnings on allergens and eye irritation.• Bolsius International B.V does not accept:<ul style="list-style-type: none">◦ Substances that are prohibited or restricted in RAL-GZ

	<p>041 and/or IFRA standards.</p> <ul style="list-style-type: none"> ○ Substances included in REACH: <ul style="list-style-type: none"> ■ Candidate list of SVHC ■ Annex XIV ■ Annex XVII ○ CMR substances, category 1 or 2 (Regulation (EC) 1272/2008 Annex VI or self-classified) ○ Substance having endocrine-disrupting properties. <ul style="list-style-type: none"> ● No Bolsius finished products contain more than the legal limit (which is 0,3% of linal), thus are all considered safe. However, Bolsius has taken steps to phase out 2-(4-tert-butylbenzyl)propionaldehyde altogether. Since July 2021, this substance has been eliminated from all raw materials purchased from our suppliers. The company still has stocks of some raw materials where this substance is present and estimates that this will be used up within 1-2 years. Bolsius International B.V. also holds stocks of finished products which contain this substance, which will be sold until exhausted. Depending on the demand of these products, this can last up to 4 years. ● In regard to REACH regulations the company complies with the REACH regulations already. Compliance monitoring is in place to make sure that any amendment in REACH that touches its business, is immediately followed by an action plan. ● In terms of wastewater management, the company does not have any chemical wastewater within its European locations and uses the local sewage facilities of the council. ● In regards to its factory in Poland, for the domestic sewage, water discharges are done into the sewage system in the production process. Sewage wastewater is collected in a sealed closed tank (septic tank) and from there it is transported directly to the sewage treatment plant (Bolsius has an appropriate agreement signed).
<p>Report</p>	<ul style="list-style-type: none"> ● 2-(4-tert-butylbenzyl)propionaldehyde is classified as reproductive toxicant category 1B, in Annex VI of Regulation (EC) No 1272/2008. <p>Link:</p>

	<p>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02008R1272-20220301&qid=1668074487852&from=EN.</p> <ul style="list-style-type: none">• REACH Annex XVII provides that substances classified as reproductive toxicant category 1A or 1B shall not be placed on the market, for supply to the general public, when the individual concentration ... in the mixture is equal to or greater than ... the relevant generic concentration limit specified in Part 3 of Annex I of Regulation (EC) No 1272/2008. Link: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02006R1907-20221014&qid=1668074637993&from=EN• The relevant generic concentration limit specified in Part 3 of Annex I of Regulation (EC) No 1272/2008 is 0,3%, for substances classified as reproductive toxicant category 1B. Link: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02008R1272-20220301&qid=1668074487852&from=EN.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Fossil Fuels

Topic	Company involved in manufacturing of products composed primarily of petroleum-based inputs (paraffin wax)
Summary of Issue	Bolsius International B.V. is a producer of candles containing paraffin wax. Paraffin wax is a byproduct from the refining of lubricants in the oil industry.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Bolsius International B.V. is reliant on paraffin to develop its product portfolio.</p> <ul style="list-style-type: none">In 2022, 95% of the company's portfolio will have paraffin wax in the composition and paraffin wax will represent 67% of the raw materials used by the company.
Impact on Stakeholders	<p>The usage of oil by-products considerably contributes to the company's carbon footprint, causing a negative environmental impact on society.</p> <p>The new draft standards for B Corp certification, which will apply to all certified B Corps, include a climate transition plan requirement (see requirement CA2), and a potential equivalency for meeting that standard is having a target submitted and validated by the Science Based Targets initiative. Whenever new risk standards are available, Bolsius International B.V will have one grace period of one recertification cycle to comply with those new requirements.</p>
Implemented Management Practices	<p>Bolsius International BV defined a 2030 sustainability agenda which includes the following:</p> <ol style="list-style-type: none">Using more sustainable materials in its products as well as in the packaging. Bolsius International B.V is building a material roadmap to define what are the most sustainable waxes options to use (such as natural-based or circular economy alternatives),<ul style="list-style-type: none">The company has commissioned a full multicriteria lifecycle assessment as a basis for long-term strategic procurement supporting a transition to a regenerative business model. Criteria will include product quality and safety, technical feasibility and innovation required, competition usage with edible crops,

	<p>considerations for biodiversity, and the full range of environmental impacts including water consumption.</p> <p>2) Meeting Science-Based Targets on GHG Emissions (the company submitted their SBTi commitment letter in Q1 2023, and plans to submit the targets to SBTi for review by Q1 2024),</p> <ul style="list-style-type: none">• The company is conducting a full GHG assessment of all its plants and offices compliant with ISO 14064 standards and GHG protocol,• The company is targeting an absolute reduction of Scope 1 and 2 (market-based) of 42% by 2030 from 2019 reference. For Scope 3, the company targets a decline of 25%, consistent with the "WB2D" (Way better than 2 degrees) guidance from SBTi. These reduction targets reflect the company's commitment to the Paris Agreement. Transitioning away from raw materials with high emission factors is part of the company's scope 3 ambitions; depending on the multiple aspects that have to be considered to determine the most desirable sustainable transition. <p>The science-based targeting methodology used by the company is based on the standard guidance from sciencebasedtargets.org</p>
Report	Sustainability webpage Impact Report



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Significant layoffs of >20% of workforce

Issue Date	June 2022
Topic	Significant layoffs due to closing of factory location.
Summary of Issue	In 2021 upon the advice of the Works Council in the Netherlands, the company announced the closing of the Boxmeer factory location, for economic reasons. The closing of the factory caused 107 layoffs gradually between January 2021 and June 2022. The entire production was moved to the production location in Kobylin (Poland).
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	107 employees were laid off, representing 30% of the company's employees at that time.
Impact on Stakeholders	Primary impact was loss of employment for affected employees.
Implemented Management Practices	Bolsuis consulted the works council and trade unions and created a social plan in order to prevent or limit the negative consequences of the reallocation. The company has drawn up an outplacement program, guiding people from job to job, which is This outplacement program is contracted out to an external agency (Compagnon) and is coordinated by an Outplacement Working Group which also manages the budget of a maximum of EUR 200,000 made available by the employer. In addition to the outplacement budget, a training budget of a maximum of EUR 100,000 has been made available, which is used if, in the opinion of the Outplacement Working Group, this is reasonable and contributes to employment opportunities. A total of 82 prior employees participated in the program of which over 50% have found new employment.



Related Incidents (Yes/No)	No. Only 1 round of layoffs related to the same cause of the period of January 2021 to June 2022.