



Alvinesa Natural Ingredients S.A.U.

Disclosure Report

Date Submitted: January 24th, 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 of or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	☐	☒
Biodiversity Impacts	☐	☒
Chemicals	☐	☒
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	☐	☒

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	☐	☒
Breaches of Confidential Information	☐	☒
Bribery, Fraud, or Corruption	☐	☒
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

	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	☐	☒
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	☐	☒
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	☐	☒

	Yes	No
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	☐	☒

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	☐	☒



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Alcohol

Topic	Company serves and sells alcohol products
Summary of Issue	Alvinesa Natural Ingredients S.A.U. is a manufacturer of natural goods 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, 25% of Alvinesa Natural Ingredients S.A.U. revenue was earned from the sale of alcohol for human consumption.
Impact on Stakeholders	Alcohol may have a negative impact on the health and well-being of individuals and their communities
Implemented Management Practices	Alvinesa complies with all regulations and laws related to the sale of the different types of alcohol in the jurisdiction in which it operates. No management practices are applied, since the company does not reach the final consumer: Alvinesa is a B2B company. Beyond alcohol for human consumption, Alvinesa Natural Ingredients manufactures two other types of alcohol: 2nd generation bioethanol (for biofuel) and sanitary alcohol. Together, all three types of alcohol produced by the company corresponds to 50% of the company's total revenue.

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Financial Reporting, Taxes, Investments, or Loans

Issue Date	2019 and 2020
Topic	Fines in relation to Value Added Tax and Corporate Income Tax
Summary of Issue	In 2019, Alvinesa Natural Ingredients signed a non-conformity assessment and appealed before the State Tax Administration Agency the required Corporate Income Tax corresponding to the fiscal years 2011-2012. The assessments signed in disagreement and appealed were paid in full to the Tax Administration, including late payment interests. The appeals are currently in the economic-administrative phase. In addition, during 2020, the the Company has received notification of a sanctioning procedure for one of the assessments signed in disagreement in relation to the Corporate Income Tax for the years 2011 and 2012; payments still pending at the closing date of the year 2022. This penalty is currently under appeal.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Late payment interest corresponded to 0.23% of the company's revenue in 2019. The sanction received for the assessments signed in disagreement represented 0.19% of the company's 2020 revenue.
Impact on Stakeholders	In addition to the many different aspects of value that businesses provide to society, businesses have an obligation to contribute their share of taxes. As businesses exist within the context of society; their proper role is to serve society. Moreover, healthy businesses can only exist over the long term in a healthy society. A healthy society depends upon public expenditures made possible by taxes. These public expenditures benefit business in both direct and indirect ways.
Implemented Management Practices	The company has adopted the following measures to avoid these instances from happening again: i. A regulatory compliance system has been implemented throughout the company, which therefore also affects the tax area. Thus, internal processes have been designed and

