Certified B Corporation

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.

Certified B Corporation

DISCLOSURE QUESTIONNAIRE

PROVIDED BY: Novamont

UPDATED AS OF: 01/27/2019

Disclosure Industries	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.		
Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements		√
Alcohol (excluding beer and wine)		√
Commercial loggings and logging equipment		√
Firearms, weapons or munitions		√
Genetically modified organisms		√
Fossil fuel-based oil or coal utility		√
Ozone depleting substances subject to international phase out		√
Persistent organic pollutants (POPs) that are banned or scheduled to be phased out of production		√
Pesticides/herbicides subject to international phase out or bans		√
Pharmaceuticals subject to international phase-outs or bans		√
Pornography		√
Radioactive materials		√
Tobacco		√
Unbonded asbestos		√
Wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)		√

Disclosure 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.		
Diversity and equal opportunity		√
Employee safety or workplace conditions		√
Environmental issues		√
Financial reporting		√
Geographic operations or international affairs		√
Investments or Loans		√
Labor issues (internal and supply chain)		√
Marketing		√
Product Safety		√
Political contributions		√
Taxes	√	More Details >>
Animal Welfare		√
Bribery, Fraud or corruption		√

Disclosure 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 "True." If false, select "False."		
Company is not formally registered in accordance with domestic regulations		√
Company has reduced or minimized taxes through the use of corporate shells or structural means		√
Company facilities are located adjacent to or in sensitive ecosystems		√
Company employs workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) and/or company does not keep personnel records that include evidence of the date of birth of each		√
Overtime work for hourly workers is compulsory		√
Company uses workers who are prisoners		√
Company prohibits workers from freely associating and bargaining collectively for the terms of one's employment		√
Animal testing is conducted		√
Company exploitatively operates in conflict zones		√
Company employs individuals on zero-hour contracts		√

Disclosure Outcomes	True	False
Please indicate if the following statements are true regarding if the company has experienced any of the following in the past 5 years. Check all that apply. If the statement is true, select "True." If false, select "False."		
Company has had an operational or on-the-job fatality		√
Company sites have experiences accidental discharges to air, land or water of hazardous substances		√
Construction or operation of company facilities resulted in physical resettlement or economic displacement involving 5,000 or more people near your facility		√
Material recalls due to quality control issues		√
Material litigation or arbitration against company		√
Company has filed for bankruptcy		√
Company has had material breaches of individual's confidential information		√

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B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Novamont UPDATED AS OF: 01/27/2019

DISCLOSURE QUESTIONNAIRE CATEGORY	Penalties Assessed Pertaining To Company Taxes
ISSUE DATE	2017
TOPIC	Sanctions relating to VAT transfer error
SUMMARY OF ISSUE	In 2017, the Novamont Group made a voluntary disclosure for mistakenly charging VAT in the transfer of a licensee from Novamont S.p.A. to the subsidiary MaterBiotech S.p.A.
SIZE/SCOPE OF ISSUE (e.g. $ financial implication, # of individuals affected)	In aggregate, the sanctions paid by both Novamont S.p.A. and Mater Biotech S.p.A. represented approximately 0.55% of turnover in 2017.
IMPACT ON STAKEHOLDER(S)	Errors in tax payments may affect the applicable government jurisdictions in which taxes are owed. In this case, the mistake did not have any net financial impact on Italian public finance.
RESOLUTION	The correction entailed a sanction of €689,000 for Novamont S.p.A. and €612,500 for Mater-Biotech S.p.A..
IMPLEMENTED MGT PRACTICES	None
REPORT	See p. 45 of the Group's sustainability report: https://www.novamont.com/rds2017/en/pdf/sustainability-report-2017.pdf
OTHER MANAGEMENT COMMENTS	The formal mistake did not have any financial impact on Italian public finance, due to the neutral nature of VAT for the companies, and could not have any effect neither on Novamont and its subsidiary Mater-Biotech
RELATED INCIDENTS	No