



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: Forestal Sylvis SA
 Date Submitted: 07/01/2021

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:

Forestal Sylvis SA

UPDATED AS OF:

07/01/2021

DISCLOSURE QUESTIONNAIRE CATEGORY	Biodiversity and Monoculture
ISSUE DATE	July 2021
TOPIC	Biodiversity loss and monoculture risks within the commercial logging industry
SUMMARY OF ISSUE	Forestal Sylvis SA is a forestry company that reforests degraded land with Eucalyptus trees in Paraguay, using the silvopastoral system which combines trees with grass for cattle raising. They operate 21 different plantations on behalf of investors and 4 plantations of their own. They grow almost exclusively eucalyptus trees, but they are also experimenting planting native tree species.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The company operates 2,000 hectares of land. 1,600 hectares of which are cultivated for eucalyptus plantations in the silvopastoral system. The rest of the area is maintained as native forest. The average lifespan of the eucalyptus plantation is 10 years.
IMPACT ON STAKEHOLDERS	Forestal Sylvis cultivates eucalyptus in degraded areas of Paraguay that were previously used for agriculture (sugar cane production). The area where the company operates has an annual rainfall of 1,600 mm per year and does not have any characteristics of water stress.
IMPLEMENTED MGT PRACTICES	<p>The company utilises degraded sugar cane plantations or overgrazed pastures to replace them with eucalyptus forests. They then proceed to aerate the land, to make it more susceptible to capture and accumulate water, and to improve the conditions for the microflora and microfauna of the soil. By replacing the degraded agricultural areas with forested areas, it allows greater shelter and food for the species of birds and mammals that inhabit the surrounding environments.</p> <p>They have installed camera traps on the property, to photograph the nocturnal biodiversity and have banned hunting in the center of the forest plots to allow deer, foxes, birds and snakes to return to inhabit these spaces. They support the park rangers of the Ybycui National Park in their task of conserving the species and their habitats. They have also managed to increase the area of shelter for the Park's species throughout the planted area. This is accompanied by a very clear policy of prohibiting hunting and educating the local population and company employees to avoid damage to animals.</p> <p>The trees are irrigated through natural rainfall, the company does not extract any water. Previous studies carried out by the National Forest Institute showed that the Eucalytus trees need between 800 and 1,200 mm of water per hectare per year, while a sugarcane plantation needs between 1,000 and 2,000 mm of water per hectare / year. There are about 80 families that live around the plantation and most of them also work on it, who have subsistence crops (corn, cassava, beans, etc.) of no more than 1 hectare.</p> <p>The company presented a Reforestation Plan to the National Forest Institute that describes their land preparation processes, the species to be planted, the fertilizers and pest control systems that would be put in place. The National Forest Institute analysed the biological and economical viability of the plantation and as a result of that, they render an Institutional Resolution of Approval. This also happened with the Ministry of Environment and Sustainable Development (MADES), which approved the plantation model.</p> <p>The company has not set any targets on biodiversity or water to date.</p>



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REPORT	<p>https://www.facebook.com/PactoGlobalParaguay/photos/mipymes-mejor-iniciativa-2019-categor%C3%ADa-protecci%C3%B3n-a-la-biodiversidadforestal-sy/3039013319442569/</p> <p>http://www.fao.org/paraguay/noticias/detail-events/es/c/1403019/</p> <p>https://revista.drclas.harvard.edu/innovating-for-sustainable-development-in-paraguay/</p>
OTHER MANAGEMENT COMMENTS	<p>We are convinced of our great contribution to the maintenance and enhancement of the biodiversity on and around the National Park. Especially when you realize the heavy negative impact that the sugar cane plantations or open grasslands have had in the past on the same biodiversity.</p>