



Vapza Alimentos

Disclosure Report

Date Submitted: February 29th, 2024



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 checked="" type="checkbox"/>	<input type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" 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 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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 - Labor Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Litigation or Arbitration - Contract Issues	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other - Penalties	<input checked="" type="checkbox"/>	<input 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"/>

	Yes	No
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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: Litigation or Arbitration - Labor Issues

Issue Date	2018 - 2023
Topic	Labor Issues
Summary of Issue	The company has had 11 litigation cases in the last 5 years related to employees and contractors. The cases relate to employment relationship rights, severance payment, hazard pay, unfair dismissal, work related accidents and occupational disease.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	For the 5 cases settled or closed against the company, the total payment made represents approximately 0.5% of the company's revenue.
Impact on Stakeholders	The litigation cases indicate a possible financial damage and negative impacts in physical and mental health of workers.
Resolution	5 cases were ruled against the company or settled with payment, 4 are pending and 2 were ruled in favor of the company.
Management Practices	<p>Practices implemented by the company to avoid future similar cases include:</p> <ul style="list-style-type: none"> • Review of contract clauses; • Review of procedures for hiring promoters, better analysis of the risks of exposure of the role; • Limit hiring in the contractor modality to only strategic needs; • Adequacy of remuneration including payment of hazard pay according to the risk exposed in the role; • Implementation of human resources policies, review of activities and remuneration for all levels; • Continuous work to monitor compliance with safety standards and execution of activities in accordance with processes, strictly following H&S guidelines.
Related Incidents (Yes/No)	Yes



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation or Arbitration - Contract Issues

Issue Date	2018 - 2023
Topic	Contract Issues
Summary of Issue	The company has had 4 litigation cases in the last 5 years related to contract disputes with suppliers and banks.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	For the cases settled or ruled against the company, the total payment made represents approximately 6% of the company's revenue.
Impact on Stakeholders	The litigation cases indicate possible financial damage to suppliers.
Resolution	1 case was ruled against the company or settled with payment, 1 case is pending and 2 cases were ruled in favor of the company.
Management Practices	Practices implemented by the company to avoid future similar cases include: <ul style="list-style-type: none">• Alignment of contract clauses;• Implementation of supplier analysis;• Analysis of contracts by a legal professional as well as checking other options on the market;• More intensive discussions on interest percentages with banks.
Related Incidents (Yes/No)	Yes

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Penalties

Issue Date	2018 - 2023
Topic	Tax Issues
Summary of Issue	The company has had 30 litigation cases in the last 5 years related to tax matters.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	For the cases settled or ruled against the company, the total payment made represents approximately 8.5% of the company's revenue. For cases pending resolution, the estimated value corresponds to 1.6% of the company's annual revenue.
Impact on Stakeholders	In addition to the many different aspects of value that business provides society, business has an obligation to contribute its share of taxes. This is because business exists within the context of society; its proper role is to serve society, not the other way around. 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.
Resolution	6 cases were ruled against the company or settled with payment, 24 are pending.
Management Practices	<p>In order to mitigate similar issues from happening again in the future, the company has restricted their tax team, implemented tax planning actions and hired tax consultancies to auxiliate them.</p> <p>Vapza has been taking some measures and implementing a tax policy in order to regularize these processes and mitigate the incidences.</p> <p>Throughout 2023, the company had no new cases. Vapza has been complying with the collection of its taxes and intends to remain that way. Vapza is entering the Federal and State "Transaction" installment programs/modalities, where discounts of practically 100% on fines and interest will be applied, and the</p>

	<p>remainder will be paid in several installments.Vapza has been consolidating the tax area from 2023. Implementing processes and procedures to guarantee good practices and build a fiscal and tax policy.</p> <p>Vapza hired a consultancy and advisory office with the aim of reviewing all calculations and deliveries of obligations, as well as providing support and legal opinions regarding legal applicability at the federal, state and municipal levels within the segment in which it operates.</p>
Related Incidents (Yes/No)	Yes



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Animal Products and Services

Vapza Alimentos is involved in the production or sale of animal products and services, meaning that they are more likely to have significant impacts on the environment and animal welfare. Based on the size of the company, these impacts may be limited. Certified B Corps are required to make transparent their involvement in such industries.

Any party aware of specific company practices that have had a negative impact related to their involvement in the sensitive industry, and which may constitute a violation of the B Corp standards, may contact us via our [public complaints procedure](#).

For more information about the company's practices, please visit the company's webpage/sustainability report, accessible [here](#).



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Energy and Emissions Intensive Industry

Vapza Alimentos is involved in the production/sale of products, or is part of an industry that can potentially be classified as energy and emission-intensive, meaning that they are more likely to have significant impacts on the environment based on their carbon emissions associated with their operations and their contribution to climate change. Certified B Corps are required to make transparent their involvement in such activities or industries.

Any party aware of specific company practices that have had a negative impact related to their involvement in the sensitive industry, and which may constitute a violation of the B Corp standards, may contact us via our [public complaints procedure](#).



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Water Intensive Industry

Vapza Alimentos is involved in the production/sale of products, or is part of an industry that can potentially be classified as water intensive, meaning that they are more likely to have significant impacts on the environment, such as water stress or depletion of local water sources if water use is not appropriately managed. Certified B Corps are required to make transparent their involvement in such activities or industries.

Any party aware of specific company practices that have had a negative impact related to its involvement in these or other controversial industries, and which may constitute a violation of the B Corp standards, may contact us via our [public complaints procedure](#).