



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 Florim SPA SB
 Date Submitted: 08/12/2020

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	✓	
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		✓

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:

Florim SPA SB

UPDATED AS OF:

12/08/2020

DISCLOSURE QUESTIONNAIRE CATEGORY	Water Intensive Industry
ISSUE DATE	December 2020
TOPIC	Water Intensive Industry - Ceramic Manufacturer
SUMMARY OF ISSUE	The ceramic industry has a high water consumption because of its technical and safety needs. This is mainly due to the fact that the grinding of the mixtures is carried out wet instead of dry and during the grinding phase. It is also used for washing throughout the entire production process.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Consumption intensity in 2019: Total water consumption (m3) / finished product (m2) = 0,02. The company uses water from internal wells and municipal aqueducts.
IMPACT ON STAKEHOLDER(S)	While the company utilises industrial waste water and rain water, there is a risk that intensive withdrawal of well water over long periods of time can lead to the lowering of aquifers and to subsidence phenomena.
IMPLEMENTED MGT PRACTICES	The company uses water recovered from the industrial processes as much as possible to reduce consumption. The company is also trialing the use of innovative dry rectifying lines which enable the company to eliminate the physical/ chemical treatment of the water used in the rectification process. The company also participates in working groups on this issue at Confindustria Ceramica. Florim reports annually in their sustainability report on their water use. They also work with their suppliers to avail of the best techniques and technologies available to them. They reuse 100% of industrial waste water and a percentage of rainwater. The company has set a specific target around water reduction such as introducing new dry squaring lines.
REPORT	2019 Florim Sustainability Report: https://media.florim.com/media/download/en/azienda/COMPANY/Sustainability_Report_2019

DISCLOSURE QUESTIONNAIRE CATEGORY	Energy and Emissions Intensive Industry
ISSUE DATE	December 2020
TOPIC	Energy and Emissions Intensive Industry
SUMMARY OF ISSUE	As a manufacturer of ceramics, large amounts of energy are required to power the production processes of ceramic tile plants, with consequent direct and indirect impacts on the local area and the environment.

SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The company has facilities in both Europe and the United States. In Europe, the company sources energy from solar panels, national electricity grid, natural gas and diesel. In 2019 the company plants enabled the in-house production of 80% of all electricity consumed. In the United States, Florim USA operates 3 kilns for the firing of porcelain tile and 2 spray dryers used in the preparation of raw materials for firing which are all natural gas fired.
IMPACT ON STAKEHOLDER(S)	The carbon emissions associated with their operations and their contribution to climate change along with air pollution and associated health impacts of air quality are the potential impacts of their energy intensity.
IMPLEMENTED MGT PRACTICES	The company purchases the best and latest technology available for their equipment, however, to date there are no alternative power supplies available for their ovens. The company was the world's first ceramic's manufacturer to be ISO5001 certified of its Energy Management System and set internal KPIs around energy consumption. Large amounts of energy are required to power the production processes of ceramic tile plants, with consequent direct and indirect impacts on the local area and the environment. All the Group's locations have modern plants that are designed for low energy impact. The company has 2 cogeneration plants and 45,000 m2 of photovoltaic panels which are already operational. In 2019 the amount of electricity self-generated by Florim (102,1 Gigawatt hours) was equivalent to the energy needs of about 44,400 homes. On sunny days, the Florim plants are able to produce up to 100% of the electricity needed to power the Italian factories. The company has built a new plant in Fiorano which has a certified rating of A++++, confirmed by the engineers of Emilia-Romagna Regional Authority. All the vehicles used inside it are electric. Florim USA invests heavily in new, efficient production equipment and works to use that equipment efficiently through selective operation in times of reduced production to operate equipment at its most efficient when possible. Florim USA is in the process of replacing lighting in the factory with efficient LED lights. The project is approximately 15% complete. Completion is anticipated in 2021. Some of the KPIs that the company have set around energy are: - Introduction of new energy data analysis software in the Italian factories - Continuation of in-house training on the environment, energy and safety at all locations - Installation of control software for the LED lights at the new Fiorano plant - Installation of a new post-combustion system with regenerative heat recovery at the Mordano location - Replacement of the Diesel vehicles used for handling materials at the Italian locations with electric vehicles - Modernization of atomization plant at Mordano, with consequent energy saving
REPORT	2019 Florim Sustainability Report: https://media.florim.com/media/download/en/azienda/COMPANY/Sustainability_Report_2019