

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: Kerakoll
 Date Submitted: 5/2/2023

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:

Kerakoll

UPDATED AS OF:

May 2nd, 2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Energy and Emissions Intensive Industry
SUMMARY OF ISSUE	Kerakoll is a company that manufactures products used in the building and construction industry an activity which is resource intensive and energy and emissions are a material environmental issue.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	100% of the company's revenue is derived from manufacturing and trading building products.
IMPACT ON STAKEHOLDERS	<p>The construction industry is a major contributor to global carbon emissions. The main sources of energy consumption and emissions in Kerakoll is derived from:</p> <p>Scope 1: Internal handling and mobility Scope 2: Electrical energy Scope 3: Cement and other materials supply as well as material transportation</p> <p>Scope 3 is considered the main contribution to emissions that Kerakoll makes in the construction industry</p>
IMPLEMENTED MGT PRACTICES	<p>Kerakoll has not yet set specific energy targets but is committed to perform its organisational carbon footprint and decarbonisation target definition.</p> <p>In partnership with the national railroad operator (RFI) the company replaced the handling of inert materials by road vehicles toward loading containers and using the train, representing a 70% reduction in CO2 emissions.</p>
REPORT	https://www.kerakoll.com/en_int/impact-report/
MANAGEMENT COMMENTS	'Kerakoll Group is continuously committed to the adoption of innovative technologies and processes that lead to the systematic reduction of the environmental impact of vehicles and logistics services offered, in terms of decarbonisation and energy efficiency. In addition Kerakoll pays attention to the technological evolution of raw materials industry aimed to reduce its organisational carbon footprint.

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DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Chemical Intensive Industries
SUMMARY OF ISSUE	Kerakoll manufactures products used in restoration, building and construction projects, which may require the use of a few chemical raw materials which could be classified as having acute or long-term toxicity. None of the chemicals used in the company's production process and design are considered SVHCs substances. The company produces water based and low VOC emission products aimed at reducing toxic and harmful substances or hazardous and environmentally polluting substances. Many of the products sold are aimed at the Green Building sector.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In terms of production quantities, products related to raw materials classified as acute or long-term toxicity account for 22.975.914 Kgs of products sold for a total production of 698.571.657 Kgs (3,3% of total production, by weight).
IMPACT ON STAKEHOLDERS	As a chemical-intensive industry, the manufacturing and use of certain building products pose risks to the environment such as pollution of air, land, and water, as well as potential human health risks to those exposed to harmful chemicals.
IMPLEMENTED MGT PRACTICES	<p>In 2011 Kerakoll developed and applied a rating system to transparently measure and communicate the environmental health impact of its products. This was accompanied by a development of water-based products by proposing them as an alternative to the traditional solvent-based market (i.e. paints and adhesives for wood floors).</p> <p>Wastewater generated by mixer and tank washing operations is conveyed to storage tanks and periodically delivered to treatment facilities by tanker trucks for K4 installation, and for K5 wastewater is treated onsite with a wastewater treatment plant. When the production process allows it, no liquid waste is generated and wastewater is regularly reused in their processes.</p> <p>Kerakoll uses the Green Building Rating tool to declare social and environmental performance of its finished products. In addition the company carries out a raw material rating analysis internally on an annual basis to define an annual plan for new raw material research and product development.</p> <p>The company has not set chemical reduction target given the low% of total production that is considered chemically intensive. However the company monitors a KPI on a yearly basis in relation to chemically intensive products.</p>
REPORT	https://www.kerakoll.com/en_int/impact-report/
MANAGEMENT COMMENTS	'The Kerakoll Group is constantly committed to reducing the use of toxic substances by developing innovative industry standards to significantly reduce the environmental footprint of production and ensure the safety and health of customers, application professionals and home users.

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UPDATED AS OF:

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DISCLOSURE QUESTIONNAIRE CATEGORY	Supply Chain Disclosure
TOPIC	Suppliers in the mining industry
SUMMARY OF ISSUE	Kerakoll is a company that manufactures products used in the construction industry. The company uses in its products calcium carbonate.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	5% of the company's Cost of Goods Sold comes from raw materials that would be considered of high social and environmental risk due to its attachments to the mining and quarrying industry. Approximately 78% of the calcium carbonate used by the company is recycled.
IMPACT ON STAKEHOLDERS	<p>Companies that purchase products and by-products of mining activities have a higher risk of encountering social and environmental issues in their supply chains. Specifically, biodiversity risks, human rights violations, and contributions that fund armed conflict (directly or indirectly) are material risks present in the industry.</p> <p>Kerakoll purchases minerals that are not conflict minerals (3TG), according to European Regulation 2017/821, mitigating the risk of contribution that fund armed conflict (directly or indirectly) is present. In addition, Kerakoll purchases minerals from national suppliers (< 200 ml) and carry out a due diligence (screening) verifying the compliance with authorisational framework. Kerakoll is also participating in circular economy projects to consider sourcing aggregates that are by-products of other processes.</p>
IMPLEMENTED MGT PRACTICES	<p>To manage the risks involved in the supply chain, Kerakoll is continuously selecting and searching for suppliers using recycled raw materials. In terms of quantity, currently, the percentage of recycled Calcium Carbonate is around 80%.</p> <p>Kerakoll has a Code of Conduct and a Sustainability Purchasing Policy applicable to all suppliers. By signing those, suppliers agree to ensure that the environmental, social, governance and ethical principles are also respected by their own suppliers, carrying out due diligence on their own supply chain to ensure it is fair, responsible and sustainable.</p> <p>Kerakoll claims to pays close attention to sources of supply by implementing reviews at the supply sites to verify that mining activities are carried out in compliance with applicable legislation and their code of conduct.</p> <p>The company's suppliers also (87% of them in terms of revenue) are ISO 9001 and/or ISO 14001 certified; in addition Kerakoll required evidences complying to ISO 14021 standard for Recycled content.</p>
REPORT	https://www.kerakoll.com/en_int/impact-report/
MANAGEMENT COMMENTS	'Kerakoll Group is continuously committed in the research of alternative sources of minerals, aimed to reduce resource extraction and to develop initiatives oriented towards circular economy.