



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: Grupo Morena
 Date Submitted: 10/20/2022

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: Grupo Morena UPDATED AS OF: 10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Biodiversity/Monoculture Impact
SUMMARY OF ISSUE	As a company that raises cattle for their meat and produces crops, Grupo Morena operates in an industry in which biodiversity impact is a material environmental issue.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Approximately 100% of company revenue comes from the sale of animal and crop products. The company owns an area of close to 6,000 hectares, of which 2,629 hectares are planted, 1,000 hectares are livestock and 2,333.9533 are reserves (permanent preservation area and legal reserve area). They also leased areas of 6,947.00 hectares of plantation. These approximately 9,500 hectares of productive area are used in two periods of the year, the first and second crops, soybean and corn, respectively.
IMPACT ON STAKEHOLDERS	Animal agriculture and crop production poses a risk to local ecosystems of flora and fauna as well as the potential degradation of farmed land.
IMPLEMENTED MGT PRACTICES	<p>Grupo Morena is in the process of hiring a company to evaluate the biodiversity in their untouched reserves, to ensure a favorable environment for the preservation of the local flora and fauna. Following the evaluation, they will begin monitoring variations, increases or decreases in species, and better ways to preserve the legal reserves which represent 38% of their total area. They are committed to Zero Deforestation and the preservation of their current reserves. They have not yet set targets on quantities or species variation. The study is due to be completed by the end of 2022 and then they will begin to quantify items and take action.</p> <p>The company employs direct planting that minimizes use of land tilling and preserves straw to protect the land (a practice which is in place for more than 20 years), livestock/forest integration (using less productive areas protects the land from erosion and conserves biodiversity), crop rotations (conserving and reinvigorating the soil with different plants and components that upkeep the health of the soil), and using composted material as fertilizer (eliminating chemical fertilizers in some land areas).</p> <p>The company employs the use of transgenic plants which significantly reduces chemical products for pest and disease control as the plants are more resistant. Another alternative that they are considering is a technology that reduces leakage when administering pesticides. They also use integrated pest management, which ensures constant evaluation and monitoring of the crops to evaluate the real need for administering pesticides.</p> <p>Grupo Morena's soy products are all certified by RTRS (Roundtable on Responsible Soy) and the Cargill Triple S (Sustainable Supply Solutions), the same practices used for soy are also extended to other crops, although they do not fall under the scope of the Certification.</p>
REPORT	https://grupomorena.com.br/politicas/



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Grupo Morena

UPDATED AS OF:

10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Water Intensive Industries
SUMMARY OF ISSUE	As a company that raises cattle for their meat and produces crops, Grupo Morena operates in an industry that is water intensive.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	<p>Approximately 100% of company revenue comes from the sale of animal and crop products. Then company captures water from rainwater and extracts water from an artesian well. They use the water as part of their crop treatment for the cultivation of soy and corn. Animal husbandry also requires water to be consumed by the animals. They also use rainwater for irrigation and machine cleaning. They try to avoid taking water from wells for most of the production process. The company states that they do not operate in a water stressed area.</p> <p>The 3 existing wells on the farm are monitored monthly and the company completes an annual survey on water usage. They have an annual collection of about 21,600,000 liters of rainwater, of this amount, 6,840,000.00 are used in farming applications, 2,000,000.00 are used for gardening and machine washing, 5,000,000.00 are destined for use in livestock, 5,000,000.00 are for the fish tank and the rest falls into evaporation and waste.</p> <p>In the wells, they have an annual consumption of about 74,156,300.00 liters of water. 77% of the total consumption comes from the wells and about 23% from abstraction. While the wells are located on the company property, they are issued a but a water grant by Sema (Secretary of State for the Environment) so that they can extract this water.</p>
IMPACT ON STAKEHOLDERS	As a water intensive industry, animal agriculture poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.
IMPLEMENTED MGT PRACTICES	<p>The company does not conduct an assessment of how it compares with others in their industry in terms of water usage and/or management and they have not set any water reduction targets to date.</p> <p>The company's property is far from cities and accordingly does not have direct influence or affect use of other stakeholders.</p>
REPORT	https://grupomorena.com.br/politicas/

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Grupo Morena

UPDATED AS OF:

10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Animal Products and Services
TOPIC	Grupo Morena is a cattle farm that earns revenue from the sale of beef.
SUMMARY OF ISSUE	The company uses a grass-based farming system, with both semi-confinement and confinement. Per year, there are about 5,400 animals in confinement, 500 animals in semi-confinement and 3000 in pasture. The confinement has two ""falls"" one from April to June and another from July to October; Semi-confinement is from October to January and pasture is throughout the year.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	While the company herd fluctuates, they have around an average of 6,000 animals per year, representing about 25% of company revenue.
IMPACT ON STAKEHOLDERS	The company follows the animal welfare standards required by the tracking certification which provides traceability by an institution that certifies product traceability. In the case of Grupo Morena, they buy the animals and track them and from their property forward, keeping track of all stages and steps in the animal's life. Good animal welfare practices and compliance with legislation are also required. Their animals are raised in a way that follows the methods of animal welfare; aiming for quality of life, less stress, and more tranquility. Their method of working ensures that the animals have the seal of exportation (which guarantees the traceability of the animal export) to the European Union, China, and Saudi Arabia.
IMPLEMENTED MGT PRACTICES	<p>"The company uses the majority of the bovine welfare practices recommended in international seals and certifications. They manage these practices on a daily basis. Examples include: providing shade for animals via livestock/forest integration, health protocols containing recommended medicines for disease and hookworm control (administered and monitored according to slaughter days), anti-stress pens, periodic water dispenser cleanings, nurse monitoring, and tracking.</p> <p>The animals are managed by Grupo Morena employees. All of the practices detailed above are present in the guiding indicators and promoted by those in sustainable husbandry. The company has not defined or published targets on animal welfare. The consider the task of animal welfare as a daily endeavor.</p> <p>The company has an award program for results that monitors and evaluates certain indicators, those related to livestock are Food Quality: Cleaning drinking fountain; Trough spacing; Trough reading; Treatment efficiency. Animal Health: Sanitary Round; Medication control; Mortality. Controls: Inventory of Inputs; Traceability.</p> <p>They have a partnership with Senar (National Rural Apprenticeship Service), which provides several courses for their employees, whether technical courses for specific activities within the farm or personal development courses. Livestock employees have taken several courses over the last few years, but specific to their activity were the ""Confinement and Semi-Confinement of Cattle"" held in 2019 and ""Management of beef cattle"" held in 2021.</p>
REPORT	https://grupomorena.com.br/politicas/



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Grupo Morena

UPDATED AS OF:

10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries
TOPIC	Energy and Emissions Intensive Industries
SUMMARY OF ISSUE	As a company that raises cattle for their meat and produces crops, Grupo Morena operates in an industry in which energy and carbon emissions is a material environmental issue. Besides the emissions from the cattle, the company's main emissions come from the use of diesel motores for farm-related tasks.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	<p>Approximately 25% of Grupo Morena's annual revenue come directly from the sale of animals.</p> <p>The company uses mainly solar and hydroelectric energy on farm. They carried out a survey of the company's carbon emissions in 2021 by the company Produzindo Certo. They do not yet measure their carbon footprint per kilo of beef. In 2021, they had an annual consumption of 422,198 kWh and 109,074 kWh were reduced by the production of solar panels, which corresponds to 25.8% of consumption.</p>
IMPACT ON STAKEHOLDERS	Animal agriculture is a major contributor to global carbon emissions.
IMPLEMENTED MGT PRACTICES	<p>The company does not have have high energy consumption on a consistent basis, only during certain periods of the year, i.e during crop cultivation (January/February - June/July). During this period they consume the most energy to ensure the benefit of their products.</p> <p>They have installed photovoltaic solar energy and have also set targets to expand energy generation by conducting plate maintenance and cleanings, and integrating solar energy expansion into strategic planning. The photovoltaic solar energy covers most of the property. The company also uses electric energy.</p> <p>The company does not conduct an assessment of how it compares with others in their industry in terms of energy usage, carbon emissions, and/or how these impacts are managed. They have not set any carbon reduction targets to date. In 2021, they had an annual consumption of 422,198 kWh and 109,074 kWh were reduced by the production of solar panels, which corresponds to 25.8% of consumption.</p>
REPORT	https://grupomorena.com.br/politicas/



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Grupo Morena

UPDATED AS OF:

10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries (TBD in development)
TOPIC	Genetically Modified Organisms
SUMMARY OF ISSUE	The company grows certain crops (soy and corn) from GMO seeds that are purchased from supplier companies.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	100% of the company's soy production and 11% of their corn production comes from GMO crops. This accounts for 50% and 5% of overall revenue, respectively. 100% of the soy production is RTRS Certified and the company applies similar agricultural techniques to their corn production.
IMPACT ON STAKEHOLDERS	<p>Transgenic is synonymous with ""Genetically Modified Organism"" (GMO). It is an organism that receives a gene from another donating organism. The resulting DNA alteration enables the organism to display a characteristic that it did not previously have. The Brazilian Biosecurity Law (11.105/05), which regulates transgenic activity and biotechnology in general, stipulates that from its discovery to the point of becoming a commercial product, a genetically modified organism must be subjected to a host of studies, which take approximately ten years. The studies seek to ensure the final product's environmental and nutritional safety. Only after its analysis and approval from the CTNBio may the product be taken to market. Brazil has also ratified the Cartagena Protocol on Biosafety which is an international agreement on biosafety as a supplement to the Convention on Biological Diversity effective since 2003.</p> <p>The environmental risks related to the production of GMO or transgenic crops can be linked to soil quality and the use of pesticides. The implementation of integrated pest and weed management systems, continual analysis of soil nutrition and health, and alternative agricultural techniques to reduce the use of pesticides and herbicides can help to mitigate these risks.</p>

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Grupo Morena UPDATED AS OF: 10/20/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Environmentally Intensive Industries (TBD in development) Cont.
TOPIC	Genetically Modified Organisms Cont.
IMPLEMENTED MGT PRACTICES	<p>Grupo Morena has achieved RTRS Certification for 100% of their soy production. The RTRS Certification covers criteria related to soil management coverage and requires practices such as the monitoring of organic soil matter for changes in quality as well as knowledge of techniques to maintain soil quality and prevent soil erosion. Companies are also required to have a crop rotation plan to prevent soy from being planted immediately over soy and to promote a time gap on the same field. Pesticide Application Coverage requirements include requirements on health and safety to employees and surrounding stakeholders (such as local communities and environmental stakeholders), as well as implemented plan for the reduction of potentially harmful products over time, documented procedures for the application of pesticides and the implementation of Integrated Crop Management techniques to reduce potential negative environmental and health impacts.</p> <p>The company has a Sustainable Management plan that outlines their approach to their agricultural practices inclusive of their Integrated Pest Management Systems (whose main objective is to avoid unnecessary applications, as they are determined from the monitoring of pest populations that cause damage). They also have the following agricultural techniques in place:</p> <ul style="list-style-type: none"> - Continual monitoring of soil analysis and production of reports - No tillage methods to promote soil nutrition and stability - Crop covers and crop rotation to promote soil quality - Crop livestock integration practices - Low flow volume application for pesticides (normally up to 60 L/ha in 3000 L tanks). The low volume application has greater operational efficiency, which results in fewer supplies of sprayers, that is, less water, less fuel used and lower emissions of polluting gases. - Using the correct spray nozzles for each situation that encompasses the product to be applied, monitoring the weather conditions at the time of application and the characteristics of the terrain. - Use of green manure to reduce worm population
REPORT	Embrapa: https://www.embrapa.br/tema-transgenicos
OTHER MANAGEMENT COMMENTS	<p>As a company that produces and grows crops, Grupo Morena works with some soy and corn production that have at times some kind of genetic modification. The modification is done in a simple manner, by adding characteristics natural to other existing plants to thus create a more resistant, vigorous, and productive crop. It allows us to produce more on the same amount of land. In summary, transgenics occurs by using laboratory methods to bring together the best natural characteristics of each plant to produce an even better one. It is proven that transgenic products do not pose a negative impact for people or animals. They are still natural products, only with good characteristics combined in one plant. To the contrary, transgenic plants have heightened resistance against pests and diseases, thus decreasing the use of standard pesticides, given that the characteristics of the plant make it stronger.</p>