



## 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: Ejido Verde  
 Date Submitted: 25/01/2021

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:

Ejido Verde

UPDATED AS OF:

25/01/2021

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Operations in Conflict Zones
<b>TOPIC</b>	Ejido Verde derives a part of their revenue from operations in the conflict affected region of Michoacán in Mexico.
<b>SUMMARY OF ISSUE</b>	The company operates in the conflict affected region of Michoacán in Mexico, where they work directly with indigenous communities who have ownership of degraded lands to reforest them with pine to enable them to sell pine resin 10 years from the start of the relationship and therefore serve as suppliers of pine resin. Michoacán has had a lot of violence and conflict due to organized crime & cartels.
<b>SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)</b>	78% of the company's expenditures in 2019 were in conflict affected areas.
<b>IMPACT ON STAKEHOLDER(S)</b>	As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.  The security of company workers who work in such areas could also be at risk.

**IMPLEMENTED MGT PRACTICES**

The company complies with all applicable legislation in México. They have a code of ethics which covers respectful behaviour towards the Ejidos (communities) that they work with, anti-discrimination, conflict of interest, anti-corruption, respect for human dignity and more.

Within Michoacán, the company avoids operating in those areas where there is established organized crime activity, or a lack of complete legal documentation confirming the Ejidos' clear and undisputed land rights, where communities do not properly elect their leaders adhering to federal guidelines and where land use is in dispute. The company also conducts a risk assessment prior to commencing a project, by studying criminal activities utilising sources such as media reports, police reports, through associations with professionals of the region/ colleagues, community leaders, etc. in those areas. The company also monitors the zones where they have plantations and maintains constant communication with the authorities of the communities to be updated about any emerging risks. In the event of any risks, the Forestry Director in coordination with the company takes the steps to protect the company's employees. The immediate actions that the company may take are: ceasing activities till it is safe for employees, working early in the morning to avoid contact and talking to authorities to see how they are acting to stop risk.

To avoid involvement in conflicts, the company follows the guidelines on Free, Prior, Informed Consent (FPIC) as defined by the United Nations and guided by the UN Declaration of the Rights of Indigenous People (UNDRIP) along with related Mexican guidelines on how to respect traditional customs and practices of rural and indigenous community. When initiating a relationship with an Ejido, the company also has a process for engagement which includes protocols such as community consultations, consultation with elders, confirming that land parcels are conflict free, compliance with regulations, forestry management plans approved by federal authorities and a majority vote of a general assembly of all community members agreeing to accept the terms negotiated with Ejido Verde. All community meetings are documented with meeting minutes shared by community authorities and Ejido Verde staff.

If the company detects any land is in dispute, they do not plant until the dispute is resolved and confirmed by all parties of the dispute.

Further the company has defined a complaint policy, to identify, record, address and resolve all complaints from stakeholders in a timely manner. Such complaints can be registered through telephone, email, facebook, post or in-person with the company staff. The complaints are overseen by the company's management team. Any complaint received is to be responded to within 20 days of receiving the complaint.