



Cervepar S.A.

Disclosure Report
Date Submitted: February 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 type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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	<input type="checkbox"/>	<input checked="" 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	<input type="checkbox"/>	<input checked="" 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"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
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 checked="" type="checkbox"/>	<input 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: Alcohol

Topic	Company serves and sells alcohol products
Summary of Issue	Cervepar S.A. is a wholesaler that earns a material amount of revenue from the sale of alcohol
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 99.8% of Cervepar's revenue was earned from the sale of alcohol
Impact on Stakeholders	Alcohol may have a negative impact on the health and well-being of individuals and their communities
Management Practices	<p>The company complies with all regulations and laws within the operating jurisdiction and in the jurisdictions they supply to,</p> <p>Cervepar, as a part of ABInBev, has a Global Responsible Drinking Policy that outlines the responsibility of the company as well as guidelines to employees. The company has a Responsible Consumption and Smart Drinking Local Policy which all employees need to abide by. The policy sets the guidelines on employees' behavior while selling or consuming alcohol and empowers employees as ambassadors to encourage responsible consumption and promote a culture of moderation in society. The Policy gives an overview of the national legislation rules as well as the company rules while defining the "dos" and "don'ts" for employees. It also contains information to ensure individuals practice responsible alcohol consumption such as drinking water between beers, eating food before drinking, and not drinking if driving,</p> <p>As a part of the company's Smart Drinking program, it carries out annual training on the Policy and also includes it in the induction process of new collaborators.</p> <p>Cervepar has an annual Compliance Training where employees, particularly those working on the sales and marketing force, receive instructions and training related to the laws and regulations applicable in the alcohol industry and their daily activities while selling the company's products. The company has implemented a process in which all external communications should have Legal approval to guarantee its alignment with the law and comply with their Responsible Marketing and Communication Code. The company is also building partnerships with mobility platforms such as Uber, MUV, and Yo Te Manejo providing discounts for company employees and consumers on travel to ensure people's safety during drinking occasions.</p> <p>In Paraguay, the sale of alcohol to minors is regulated by Law 1642/00 which prohibits the sale of alcoholic beverages to minors. Cervepar does not sell alcohol products directly to final consumers. As a business-to-business (B2B), their clients include brew stores, bars, nightclubs, restaurants, grocery stores, self-service stores, supermarkets, Cstores, wholesalers, and distributors. All of the company's products' packaging as well as advertisements have a legal label that reads, "The sale of alcoholic drinks is prohibited to minors under 20 years". The guidance is also provided in Guarani which is the official language in Paraguay. Additionally, the company analyzes the location</p>



	where advertising will be posted to avoid common places for minors such as schools. The company's Responsible Marketing and Communication also sets out guidance to avoid making the brand's campaigns or advertisements attractive to minors.
Management Comments	AB InBev Responsible Drinking Policy



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Disclosure Industries

Topic	Clients in Controversial Industries
Summary of Issue	Company is an alcohol manufacturer and retailer that has served a client operating in the gambling industry. Products to this client have included beer; all products that can be sold to both controversial as well as non-controversial industries.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The revenue from clients the gambling industry is 0.057% in FY21-22
Impact on Stakeholders	<p>Companies that work with clients in controversial industries can indirectly increase the harmful impact to stakeholders by enabling business growth. Therefore, companies that work with clients in these industries should have practices in place to ensure that their impact is aimed at decreasing the negative impacts of the industry.</p> <p>B Lab has flagged the involvement of companies with clients in controversial industries as a material issue and new standards will be created to address possible risks related to this matter.</p>
Management Practices	<p>Cervepar does not have any position on selling to controversial industries. The company is a B2B company and does not sell products to final consumers. Most of their clients are brew stores, bars, nightclubs, restaurants, grocery stores, self-service stores, supermarkets, convenience stores, wholesalers and distributors. The company's products' advertising and merchandising materials provided to the clients include the legal label and responsible consumption reads.</p> <p>The company needs its clients or any third party to be aligned with its Code of Conduct and all their policies applicable in our relationships with stakeholders. Their clients are required by the law not to sell alcohol to minors. The company ensures that their stakeholders should respect human rights, environmental, and anti-corruption policies; trains and encourages their salesforce and employees to report if there are irregular situations with clients in order to take measures.</p>