



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: AMATA
 Date Submitted: 12/21/2016

| Disclosure Industries | 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. | | |
| Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements | | ✓ |
| Commercial loggings and logging equipment | | ✓ |
| Genetically modified organisms | | ✓ |
| Fossil fuel-based oil or coal utility | | ✓ |
| Persistent organic pollutants (POPs) that are banned or scheduled to be phased out of production | | ✓ |
| Pesticides/herbicides subject to international phase out or bans | | ✓ |
| Pharmaceuticals subject to international phase-outs or bans | | ✓ |
| Radioactive materials | | ✓ |
| Tobacco | | ✓ |
| Unbonded asbestos | | ✓ |
| Wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) | | ✓ |

| Disclosure 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. | | |
| Diversity and equal opportunity | | ✓ |
| Employee safety or workplace conditions | | ✓ |
| Environmental issues | | ✓ |
| Financial reporting | | ✓ |
| Geographic operations or international affairs | | ✓ |
| Investments or Loans | | ✓ |
| Labor issues (internal and supply chain) | ✓ | |
| Marketing | | ✓ |
| Political contributions | | ✓ |
| Taxes | | ✓ |
| Animal Welfare | | ✓ |
| Bribery, Fraud or corruption | | ✓ |

| Disclosure Outcomes | True | False |
|--|------|-------|
| Please indicate if the following statements are true regarding if the company has experienced any of the following in the past 5 years. Check all that apply. If the statement is true, select "True." If false, select "False." | | |
| Company has had an operational or on-the-job fatality | | ✓ |
| Company sites have experienced accidental discharges to air, land or water of hazardous substances | | ✓ |
| Construction or operation of company facilities resulted in physical resettlement or economic displacement involving 5,000 or more people near your facility | | ✓ |
| Material recalls due to quality control issues | | |
| Material litigation or arbitration against company | | ✓ |
| Company has filed for bankruptcy | | ✓ |
| Construction or operation of company involved large scale land acquisition | | ✓ |
| Construction or operation of company involved large scale land conversion and/or degradation | | ✓ |
| Company has had material breaches of individual's confidential information | | ✓ |

| Disclosure 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 "True." If false, select "False." | | |
| Company is not formally registered in accordance with domestic regulations | | ✓ |
| Company has reduced or minimized taxes through the use of corporate shells or structural means | | ✓ |
| Company does not transparently report corporate financials to government | | ✓ |
| Company facilities are located adjacent to or in sensitive ecosystems | | ✓ |
| Company does not provide clean drinking water to employees at all times | | ✓ |
| A portion of workers, contractors, subcontractors or day-workers are paid below minimum wage | | ✓ |
| Company does not have a signed contract of employment with each worker | | ✓ |
| Company employs workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) and/or company does not keep personnel records that include evidence of the date of birth of each | | ✓ |
| Overtime work for hourly workers is compulsory | | ✓ |
| Company does not provide payslips or equivalent to all workers to show how wages are calculated and any deductions made | | ✓ |
| Company uses workers who are prisoners | | ✓ |
| Company prohibits workers from freely associating and bargaining collectively for the terms of one's employment | | ✓ |
| Company prohibits workers from freely leaving the site during non-working hours or at the end of their shift | | ✓ |
| Company keeps workers' original ID cards/Passports | | ✓ |
| Company exploitatively operates in conflict zones | | ✓ |
| Company employs individuals on zero-hour contracts | | ✓ |

| Supplier Disclosure | Yes | No | Don't Know |
|--|-----|----|------------|
| Please indicate if any of the following statements are true regarding your company's significant suppliers. | | | |
| Significant Suppliers employ workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) | | ✓ | |
| Significant Suppliers use any workers who are prisoners | | | ✓ |
| Significant Suppliers have had an operational or on-the-job fatality | | | ✓ |
| Significant Suppliers' sites have experienced accidental discharges to air, land or water of hazardous substances | | | ✓ |
| Construction or operation of Significant Suppliers' facilities resulted in physical resettlement or economic displacement involving 5,000 or more people near their facility | | | ✓ |
| Construction or operation of Significant Suppliers involved large scale land acquisition | | | ✓ |
| Construction or operation of Significant Suppliers involved large scale land conversion and/or degradation | | | ✓ |
| Construction or operation of Significant Suppliers involved the construction or refurbishment of dams | | | ✓ |
| Significant Suppliers have had material fines or sanctions in the last five years regarding the issues indicated in DQ4.1 | | | ✓ |
| Significant Suppliers exploitatively operate in conflict zones | | | ✓ |

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

AMATA

UPDATED AS OF:

12/21/2016

| | |
|--|--|
| CATEGORY | LABOR |
| ISSUE DATE | 2013 - 2016 |
| ISSUE DESCRIPTION / SUMMARY OF ISSUE | Labor suits involve a range of actions which principally include claims for additional severance or benefits amounts, financial losses, unfair dismissal, unhealthy work conditions, and improper retention of work permits |
| SIZE/SCOPE OF ISSUE (e.g. \$, # of individuals affected) | Amata has over 300 employees across 4 locations in the territory of Brazil from which the company extracts wood. From the years of 2013 to 2016 there have been a total of 35 lawsuits, 6 of those in 2016. For an employee base of 306 full-time workers, this number of lawsuits yields a litigation rate of 8.7% calculated by number of employees. |
| IMPACT | No material human or environmental harm |
| RESOLUTION | Out of the total 35 cases filed in the period in question, 14 were dismissed, 13 were closed in favor of the plaintiff with adjustment in amount claimed for a total of R\$535K, and 8 cases remain open under review for a total of R\$305K. |
| IMPLEMENTED MGT PRACTICES | Labor issues are investigated by senior management, the Human Resources department, and the Legal Department depending on the nature or severity of the action. The results of any labor lawsuits are brought to a committee, which is responsible for implementing improvements to eliminate the recurrence of cases. Labor issues that are identified as frequent occurrences are addressed in detail with each relevant employee / operator in order to establish clarifications about the cases and revise the company's procedures. Amata also has an internal audit process, carried out by the Risk Management department, which aims, among other activities, to identify possible risks of compliance with legislation and labor issues. |
| REPORT | n/a |
| OTHER MANAGEMENT COMMENTS | A large portion of the disclosed cases refer to Urenha, a company contracted by AMATA that provided services in Mato Grosso do Sul and that, due to financial difficulties, failed to fulfill its obligations as an employer. For this reason AMATA, as the client contracting the services, was obligated to pay the expenses arising from these cases. As a result, Amata revised its policies regarding contractors to ensure closer and more effective monitoring by the Human Resources department. This department also received improvements after the occurrence. Another well-quoted topic in labor lawsuits is travel time to and from work (time "in itinere") with claims for lack of payment, lower payments, lack of understanding about the budget itself, etc. Amata has been making payments for time "in itinere" from the beginning of its activities. However, the subject remains a prevalent topic in the labor actions brought against the company. As a result, a number of improvements have occurred in recent years, including installation of time clocks to ensure more effective day-to-day control and correct accounting of hours "in itinere", as well as periodic monitoring of each employee's travel time to the workplace. |
| RELATED INCIDENTS (YES/NO) | Yes |