



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

PROVIDED BY:

Iniciativa Agronegócios

UPDATED AS OF:

06/22/2020

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		✓
Other		✓
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		✓
Other Disclosures		✓

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:

Iniciativa Agronegócios

UPDATED AS OF:

06/22/2020

DISCLOSURE QUESTIONNAIRE CATEGORY	Biodiversity and Monoculture
TOPIC	Biodiversity loss and monoculture risks within the commercial logging industry
SUMMARY OF ISSUE	Iniciativa Agronegócios is a forestry company that operates in Mato Grosso do Sul in Brazil. They operate five different farms, all of which are 100% FSC certified. They exclusively grow eucalyptus trees.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The company operates 5000 hectares of land, 70% of which is cultivated for eucalyptus plantations. The rest of the land is set aside for native vegetation.
IMPACT ON STAKEHOLDER(S)	The company operates in the Cerrado Biome in Brazil, which is home to 5% of the world's biodiversity. The company only purchases previously degraded land as a result of intensive agricultural use that was converted prior to 1995 and only operates in areas of non-natural pasture. As part of the FSC Certification process, the company carried out a High Value Conservation study on the company farms through an independent third party and none of the company's farms are located in a high risk area of environmental concern.
IMPLEMENTED MGT PRACTICES	<p>The company only operates small scale plantations and implements minimal cultivation to prevent soil erosion. They carry out an Analysis of Social and Environmental Risk of all pesticides used on their land. They continuously monitor the rate of pests and diseases, as well as study the effects of fertilisers, which allows the company to minimise the use of inputs. They have set a target to reduce the use of chemical fertiliser on their farms by 2.5% every year from a baseline year of when each farm was purchased.</p> <p>The company carries out flora and fauna measuring and monitoring through the use of camera traps. They use the Normalized Differentiation Vegetation Index (NDVI) to employ impact mitigation measures. They have created special flora and fauna corridors, banned hunting and fishing on their land and isolated preserved areas.</p> <p>The company also monitors the quality of their water both prior to and post operation, through procedures which are approved by the FSC. They conduct an analysis of the environmental and health risks before using any non-biological pesticides. They have also collaborated with the Agricultural School at the University of Sao Paulo (ESALQ-USP) on researching their fertiliser use and the impacts on their soil.</p> <p>Finally, the company carries out a study of High Conservation Value of their farms and the impacts on adjacent lands as well as studies on the impacts to local communities. They have carried out workshops with local community leaders and representatives to gather feedback around areas of improvement. They have implemented this feedback in the form of 10 different initiatives and have delivered one in the form of a social project for local children to develop their own potential and that of their community by learning about and engaging with the agricultural industry.</p>