



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.

Certified



Corporation

DISCLOSURE QUESTIONNAIRE

Company Name: **Farmacia Fracción**

Date Submitted: **03/10/2023**

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: Farmacia Fracción

UPDATED AS OF: 03/10/2023

DISCLOSURE QUESTIONNAIRE CATEGORY	Pharmaceutical Industry
TOPIC	Government Affairs, Lobbying/Advocacy and Political Activities
SUMMARY OF ISSUE	The company claims to be committed to improving access to medicines in Chile, seeking to offer pharmaceutical products at fair prices and making it more accessible to all Chileans. Given that, Fracción understands the importance of a state level solution, hence the company supports public policies and political initiatives that are in line with that objective.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	<p>In the last 5 years, Farmacia Fracción has participated and advocated for the following laws and projects:</p> <ul style="list-style-type: none"> i) Ley de Fraccionamiento; ii) Ley Cenabast; iii) Proyecto Comunas sin Farmacias; iv) Convenio Fonasa. <p>Considering hours dedicated to participating in these topics, Fracción invested 60 hours of work in total in recent years, which is equivalent to \$1,164,688 CLP. In addition to this, it is estimated that \$3,370,000 CLP was invested in transportation to participate in these initiatives.</p>
IMPACT ON STAKEHOLDERS	While pharmaceutical companies have the ability to lobby for policies that support their ability to maximize profit, the resulting risk to healthcare systems is significant. Companies engaged in lobbying for policies to keep the price of medications high and suppress competition and negotiation are prioritizing shareholder profits over stakeholder outcomes, which goes against the holistic stakeholder-focused approach of B Corp Certification.
IMPLEMENTED MGT PRACTICES	<p>Fracción declares to be impartial towards all political tendencies, including no support to any specific political parties in any way.</p> <p>Given that the coverage and access to medicine is a public problem, the company defends collaborative models of relationship with public authorities such as the Ministry of Health, Instituto de Salud Pública, Secretarías Regionales Ministeriales de Salud, mayors and parliamentarians. Meetings with public authorities are requested via the government's website, following all protocols and regulations established by law. Information regarding meetings conducted between public authorities and Farmacia Fracción are publicly available.</p> <p>Examples of Farmacia Fracción involvement in government affairs include the support to the law of medicines fractionation - where any person can demand to buy only the required dose of a medicine -, to the legalization of online sales of pharmaceutical drugs, and to the CENABAST law - which establishes a maximum price for medicine sales.</p>
REPORT	Meetings conducted between public authorities and Farmacia Fracción