

Sarape Films

Disclosure Report Date Submitted: September 23rd, 2024

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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:

- 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.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through B Lab's Public Complaint Process. Grounds for complaint include:

- Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's certification process
- 2) Breaches of the B Corp Community's core values as expressed in our Declaration of Interdependence

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 of or trade in any of the following. Select Yes for all options that **Animal Products or Services** $\boxed{}$ **Biodiversity Impacts** \square Chemicals $\boxed{}$ **Disclosure Alcohol** \square **Disclosure Firearms Weapons** $\boxed{}$ **Disclosure Mining** $\boxed{}$ **Disclosure Pornography** $\boxed{}$ **Disclosure Tobacco** $\boxed{}$ **Energy and Emissions Intensive** $\boxed{}$ Industries Fossil fuels \square Gambling **Genetically Modified Organisms** $\boxed{}$ Illegal Products or Subject to $\overline{\mathbf{A}}$ **Phase Out** Industries at Risk of Human \square **Rights Violations Monoculture Agriculture** \square **Nuclear Power or Hazardous** $\overline{\mathbf{A}}$ **Materials** Payday, Short Term, or High **Interest Lending Water Intensive Industries** $\overline{\mathbf{A}}$ Tax Advisory Services

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		\checkmark	
Breaches of Confidential Information		N.	
Bribery, Fraud, or Corruption		N.	
Company has filed for bankruptcy		\triangleright	
Consumer Protection		V	
Financial Reporting, Taxes, Investments, or Loans		\searrow	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		V	
Labor Issues		\checkmark	
Large Scale Land Conversion, Acquisition, or Relocation		K	
Litigation or Arbitration			
On-Site Fatality		\searrow	
Penalties Assessed For Environmental Issues		V	
Political Contributions or International Affairs		\searrow	
Recalls		V	
Significant Layoffs		V	
Violation of Indigenous Peoples Rights		V	
Other		N	



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		\checkmark
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		V
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		\checkmark
Conduct Business in Conflict Zones	V	
Confirmation of Right to Work		\checkmark
Does not transparently report corporate financials to government		V
Employs Individuals on Zero-Hour Contracts		\searrow
Facilities located in sensitive ecosystems		V
ID Cards Withheld or Penalties for Resignation		V
No formal Registration Under Domestic Regulations		V
No signed employment contracts for all workers		
Overtime For Hourly Workers Is Compulsory		
Payslips not provided to show wage calculation and deductions		N

	Yes	No
Sale of Data		V
Tax Reduction Through Corporate Shells		V
Workers cannot leave site during non-working hours		V
Workers not Provided Clean Drinking Water or Toilets		\searrow
Workers paid below minimum wage		N
Workers Under Bond		\checkmark
Other		\checkmark

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		\vee
Child or Forced Labor		V
Negative Environmental Impact		\vee
Negative Social Impact		\vee
Other		✓



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Operations located in Conflict Zones

Topic	Company operates in Conflict Zones
Summary of Issue	Sarape Films is a film production company that produces short films and promotional materials for clients. The company is based in Mexico and mainly provides video production and audiovisual coverage services. Due to criminal violence perpetrated by gangs and drug cartels, Mexico has been identified as a conflict zone by the Council on Foreign Relations.
	The company's services are mainly related to providing audiovisual coverage for humanitarian efforts during natural disasters. For example, Sarape Films has accompanied an international organization to distribute water sanitation kits after a flood. The company has also accompanied United Nations Agencies to monitor education services in Guerrero after the impact of a hurricane.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	90% of Sarape Film's operations are based in Mexico and 80-90% % of its annual revenue are generated through its production and filming activities in Mexico.
Impact on Stakeholders	Business activities located in conflict zones are considered high-risk as they are more likely to cause or contribute to the conflict and/or sociopolitical instability.
	Countries classified as conflict zones are more likely to have a weak rule-of-law or a corrupt judicial system, which could undermine the effectiveness of operational grievance mechanisms for these businesses and their suppliers. In addition, the safety of the company's workers and other potential human rights violations are at risk.
Implemented Management Practices	Sarape Films conducts a formal induction process for all of its employees and collaborators (permanent or temporary personnel who participate in their projects) to go through. The induction process establishes behaviors and fieldwork policies, addressing topics such as anti-corruption policies, image treatment from a human rights perspective, prevention of harassment and violent behaviors, as well as a security briefing.



Additionally, whenever the company has filming activities in locations within Mexico where the conflict is more intense and severe, the company always enters the area with a collaborating partner such as the United Nations agency, or local organizations that have formal protocols to ensure the safety of the crew. With these partners, a specific security briefing for that zone is always established, which also addresses cultural practices and specific behaviors for each area the company would be entering into.