



Grup Balfegó

Disclosure Report

Date Submitted: March 12th, 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Biodiversity Impacts	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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: Animal Products and Services

Topic	Company is a manufacturer and sources >50% of their raw material expenses from animal products, in this case fishing tuna.
Summary of Issue	Company fishes tuna off the coast of Spain, and the Mediterranean Sea.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of the company's revenues is tied to the tuna fishing industry. Fishing is carried out entirely in the Mediterranean Sea, near the Balearic Islands, only once a year, in the months of May and June, and transported to the company's own facilities (fish farms), the tuna stock is about 20,000 specimens of tuna at full capacity, and 600 specimens at lowest capacity (right before the yearly fishing campaign).
Impact on Stakeholders	<p>Animal welfare relating to capture events: The company is in compliance with the fishing quotas assigned by the government to legal fisheries each year, which follow annual scientific recommendations to ensure the continuity of the species. The company uses the seine method to capture tuna. This method consists of surrounding the tuna with nets that close below them and is considered the least harmful, since it is "superficial", that is, it does not affect the ecosystems of the ocean floor. Currently the company's fishing is considered a monospecies catch, meaning that all fish from other species are released, avoiding "accidental fishing". Further only adult specimens are caught (average 10 years of age and more than 30kg), releasing those that are smaller than the minimum size allowed. This allows the tunas, which become sexually mature at 4 years of age, to have at least 6 years of reproduction, ensuring the continuity of the species. The company ensures that plastic nets or gear are not left in the ocean that could cause water pollution and risk to marine life. The company manages periodic water analysis programs to guarantee good quality.</p> <p>Animal welfare on premises: During the time on premises, and once in the pools, the tunas are fed with fish (mackerel, sardines, etc.) and monitored by a team of divers experts in controlling the feeding process. Definition of a maximum number of specimens per pool, to avoid high densities and ensure that they remain at low densities. Therefore, this indicator is monitored. Food for the livestock is provided frozen that, once in</p>

	<p>contact with the water, slowly descends into the pool. This prevents the animals from stressing when searching for food. Further on a daily basis, the company process to execute the necessary specimens to cover our clients' demand for fresh tuna, ensuring that only the necessary quantity is sacrificed. The slaughter process is done with an innovative method, called ike jime, which consists of an artisanal, manual method that requires great precision, which is done individually by a team of experts and which minimizes the suffering of the animal, by be immediate death, thus preventing the animal from going through a stressful situation. This wellness practice also ensures better product quality.</p> <p>Further information on the Ike Jime technique to slaughter tuna, the method is a particularly manual, hand-crafted method of harvest and preparation for human consumption that requires a lot of precision and is applied individually by a team of experts. Divers enter the fish husbandry facility and select the tuna according to its size, as per the customer's requirements. Sacrifice is performed with a gunshot, avoiding nervous stimuli. Once sacrificed, two incisions are made in the main blood vessels, promoting the development of inosinic acid (taste enhancer). This process also prevents certain stress hormones from reaching the muscles and causing them to overheat. After 12 seconds, the fish is on deck. A flexible wire is then inserted into the spinal canal, eviscerated it accurately and immediately – which prevents any parasites, if there are any, from passing into the muscle tissue – and immersed in ice water to lower its body temperature.</p>
Implemented Management Practices	<p>The company is AENOR certified. Deemed credible by B Lab standards. The company has not set any Key Performance Indicators (KPIs) linked to animal welfare but is in compliance with governmental bodies. Best practices for animal welfare are described in the impact on stakeholders section of this disclosure.</p>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally-Intensive Industry

Issue Date	Ongoing
Topic	Biodiversity Impacts
Summary of Issue	Balfegó's facilities are located on the coasts of the Mediterranean Sea where the company carries out all their fishing activity. This is a sea with great historical and economic importance, and great diversity of habitats and species, many of which are only present in this ecosystem.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The company sources over 90% of their fish from their own fishing activities in the Mediterranean Sea.
Impact on Stakeholders	The potential negative impacts of Grup Balfegó's fishing industry on biodiversity in the Mediterranean Sea can be a matter of concern due to the region's historical and economic significance. This encompasses diverse habitats and species unique to this ecosystem.
Implemented Management Practices	<p>Grup Balfegó has implemented several management practices to monitor and minimize its impact on biodiversity in its fishing activities. These practices include:</p> <p>Compliance with Fishing Quotas: Adhering to government-assigned fishing quotas each year based on scientific recommendations.</p> <p>International Observers: Having international ICCAT observers on board to ensure compliance with quota allocation, tuna size, and other regulations.</p> <p>Sustainable Fishing Methods: Using the purse seine method, considered less harmful as it is superficial and does not affect ocean floor ecosystems.</p> <p>Avoidance of Fish Aggregation Devices (FADs): Capturing bluefin tuna without using FADs to prevent attracting other species and ensuring single-species fishing.</p> <p>Selective Catching: Only capturing adult specimens, releasing smaller ones to support the reproductive cycle of tunas.</p>

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries

Topic	Energy and Emissions Intensive Industries
Summary of Issue	As a seafood manufacturing company, Grup Balfegó operates in an industry in which energy and carbon emissions is a material environmental issue.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of the company's revenue is tied to the fishing industry which requires a significant energy consumption to keep fish frozen and refrigerated. The energy sources used by the company are fossil fuels. The electricity is purchased from suppliers using non renewable sources.
Impact on Stakeholders	Industries with energy and emission intensive productions can contribute to GHG production which contributes to environmental harm.
Implemented Management Practices	<p>Grup Balfegó has implemented management practices to minimize its energy use and carbon emissions:</p> <p>Energy reduction initiatives: Conduct energy audits and implementations of good energy savings practices in the facilities; Installation of temperature monitoring sensors; Use of the energy EnergyStar certified devices; Integration of energy efficiency measures in the construction of newly built facilities (e.g. BREEAM certified warehouse).</p> <p>GHG emissions reduction initiatives: Prioritize certified renewable energy sources; Installation of photovoltaic panels and solar garden in the production plants; Formalized company's "Purchasing Policy" to prioritize local suppliers; Use of efficient engines on boats in a process of renewal of the fleet of boats used for food and maintenance of the facilities, as well as for the transport of live bluefin tuna; Carrying out training to reduce fuel consumption in motorized travel through efficient driving; Prioritization of low-emission vehicles and/or digital systems to collect carbon footprint data and/or digital route planning systems and/or transportation efficiency certifications; Sharing good practices with significant suppliers to help them calculate their emissions and ways to mitigate it, and be able to start prioritizing those supplier companies with a lower carbon footprint.</p>

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries

Topic	Water Intensive industry
Summary of Issue	As a seafood manufacturing company, Grup Balfegó operates in an industry that is considered as water intensive.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of the company's revenue is tied to the fishing industry which requires intensive usage of water to maintain the products. The company's operations are located in a water stressed region: L'Ametlla del Mar, Catalonia (Spain).
Impact on Stakeholders	As a water intensive industry, seafood manufacturing poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.
Implemented Management Practices	<p>Grup Balfegó has implemented management practices to minimize its water use:</p> <p>Review and redesign of production processes to reduce water consumption, such as redesigning the cleaning process of production facilities through the installation of cleaning satellites (automatic devices with efficient water use systems); Provision of a monitored consumed water purification program; Water consumption and its purification process are monitored, and a formal commitment is established to reduce its consumption; Training is provided to all workers to raise awareness about the importance of applying good environmental practices, with special emphasis on water consumption.</p>

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Facilities located in sensitive ecosystems

Topic	The company operates on the coast of the Mediterranean Sea in Spain.
Summary of Issue	The company engages in fishing within areas of diverse habitats, species, and endemic marine fauna, where the Spanish government has established mandated fishing quotas , which are based on the recommendations of the International Commission for the Conservation of Atlantic Tunas (ICCAT).
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	100% of the fishing activities take place in the Mediterranean Sea in Spain.
Impact on Stakeholders	Potential risks associated with operations in sensitive natural ecosystems include a decrease in the available fish population, harm to the ecosystem, the capture of incorrect species or young fish not suitable for consumption, and water pollution.
Implemented Management Practices	The company uses a "superficial" fishing method that does not harm the ocean floor ecosystems. They only fish for mono-species and release any unintended species, smaller specimens, and sexually immature fish to ensure the continuity of the species. They do not use nets or plastic gear that may lead to contamination. The company also implements a periodic water analysis program to control and ensure water quality. To ensure compliance with quotas and regulations, the company has an international observer from the ICCAT present at all times.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Labor Issues

Issue Date	2020-2022
Topic	Employee Injury
Summary of Issue	<p>In 2020, the company received a sanction from the Inspecciones Provinciales de Trabajo y Seguridad Social, the Spanish agency in charge of monitoring compliance with labor and social security regulations. The sanction was issued due to an occupational accident that occurred when a diver's finger got trapped while using the ship's crane.</p> <p>In 2022, the company was sanctioned by the Spanish Social Security and Inspecciones Provinciales de Trabajo y Seguridad Social. This sanction was issued due to the recognized disability of a worker, which was considered to be a consequence of his duties as a diver.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Both employees were granted disability and the company paid the corresponding penalty and surcharges. The company was required to pay fines and compensation amounting to approximately 0.18% of its total revenue in fiscal year 2022
Impact on Stakeholders	There is a risk of employees getting injured or developing occupational diseases and disabilities.
Resolution	The company was penalized financially in both instances.
Implemented Management Practices	<p>The company has implemented several measures to ensure the safety of its workers while using the crane. These measures include training the workers on occupational risks associated with crane usage, conducting regular maintenance of the crane, and designating certain workers to monitor compliance with preventive measures and identify potential risks. In addition, the company has established a process for the use of marine cranes.</p> <p>The company has changed its External Prevention Services (SPA), which is a specialized company that aims to provide support to other companies in order to ensure adequate protection of the safety and health of workers. With this change, the measurement of noise from different activities of the company has been incorporated, for which the new prevention service has tools to measure it. Additionally, the company has</p>

