



Constructora Oval

Disclosure Report

Date Submitted: November 18th, 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.

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:

- 1) 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 or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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: Litigation, Arbitration, and/or Penalties

Issue Date	2019 - 2024
Topic	Litigation and Penalties related to Employee Dismissal, Workplace Accidents, Occupational Health & Safety, and Non-Compliance with Employment matters
Summary of Issue	<p>Constructora Oval has had 86 labor lawsuits, of which:</p> <ul style="list-style-type: none">• 63 are for unfair dismissal: 51 have been settled by agreement; 1 was rejected by the court; 3 were dismissed, 2 were settled by judgment (one in favor and one against), and 6 lawsuits are pending.• 5 are protection suits: Of which 3 have been settled by agreement, and 2 are pending.• 16 are for work-related accidents: Of which 9 have been settled by judgment (5 with payment, 5 without payment), 5 have been settled by agreement, and 2 are pending.• 1 for annulment of dismissal is pending.• 1 for the collection of benefits settled by agreement. <p>Also, in the last 5 years, the company has had 6 civil lawsuits:</p> <ul style="list-style-type: none">• 1 for annulment of sale, settled by agreement.• 1 Compliance with Judgment. In progress.• 1 Collection of Withholdings. In progress.• 2 Consumer Law. Abandoned by the plaintiffs.• 1 Executive Judgment. Judgment favorable to OVAL.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Each of the lawsuits resolved through settlement or judgment represented less than 1% of the company's total revenue at the end of the last fiscal year. The total amount paid directly by OVAL in lawsuits (excluding those covered by insurance) represents 0.9% of total cumulative revenue from 2020 to 2024 (5 years reported).</p> <p>Regarding the pending cases, the estimated value of each case represents less than 1% of the company's annual revenue.</p>
Impact on Stakeholders	The primary impact related to the labor litigations & penalties is the financial impact and risks related to employee safety issues. The impact related to contract disputes and non-compliance

	with employee documentation is the reputational and financial risks to all the parties involved, including the company.
Resolution	<p>Of the 75 labor lawsuits concluded, 80% were resolved by settlement, 5.3% by dismissal or dismissal, and 14.6% by judgment. Both settlements and judgments were fully satisfied.</p> <p>Of the six civil lawsuits, 25% were resolved by settlement, 50% by the plaintiff's abandonment of the proceedings, and 25% by favorable judgment.</p>
Implemented Management Practices	<p>The company has made changes to its dismissal policies and procedures to reduce unfair dismissal claims. Indeed, a Termination Procedure was established; a requirement was implemented that the Technical Works Inspector (external to SERVIU) sign the Gantt Charts at the end of the corresponding tasks. These are also published on the bulletin boards at each job site so that all workers are aware of them.</p> <p>Regarding reducing lawsuits for work-related accidents, worker safety procedures were improved, and new safety training was conducted. An annual strategy was established to measure accident and accident rate indicators on construction sites. The Tazki platform was implemented to detect occupational hazards and correct them immediately. Safety incentive activities were implemented on construction sites, as well as strategic occupational health and safety workshops.</p> <p>This has allowed the company to reduce the certified accident, accident rate, and severity rates, as recorded in the Mutual de Seguridad Accident Certificate. The company has also since obtained: Joint Work Committee Certification, the CCHC Safety and Health Best Practices Award, the Elige Bienestar Program, and the Strategic Safety and Health Training Program.</p> <p>For the penalties, the company makes corrections according to the labor inspector's observations. The company has now corrected the following findings from the inspection;</p> <ul style="list-style-type: none"> • Not taking the necessary protective measures • Not having visible and permanent signage in danger zones • Not keeping proper attendance records • Failure to remove hazard factors in the workplace



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Energy and Emissions Intensive Industry

Constructora Oval is involved in the production/sale of products, or is part of an industry that can potentially be classified as energy and emission-intensive, meaning that they are more likely to have significant impacts on the environment based on their carbon emissions associated with their operations and their contribution to climate change. Certified B Corps are required to make transparent their involvement in such activities or industries.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Water Intensive Industry

Constructora Oval is involved in the production/sale of products, or is part of an industry that can potentially be classified as water-intensive, meaning that they are more likely to have significant impacts on the environment, such as water stress or depletion of local water sources if water use is not appropriately managed. Certified B Corps are required to make transparent their involvement in such activities or industries.