



## 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

Company Name: Balloon Latam  
 Date Submitted: 08/01/2022

| 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:

Balloon Latam

UPDATED AS OF:

08/01/2022

|  |   |
|--|---|
| <b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>   | Operation in Conflict Zones   |
| <b>TOPIC</b>   | Balloon Latam derives a part of their revenue from operations based in conflict affected areas of Chile.  |
| <b>SUMMARY OF ISSUE</b>  | <p>"Balloon Latam is a territorial development consultancy that works in rural Chile. The company has developed a model for social and territorial intervention that works with three pillars: companies, social actors and the territory.</p> <p>In October 2021, the Chilean President announced a state of emergency in the southern regions of Biobio and Araucania due to clashes between Mapuche Indigenous people and security forces."</p>  |
| <b>SIZE/SCOPE OF ISSUE</b><br>(e.g. \$ financial implication, # of individuals affected) | The company derived 29% of its revenue from projects in conflict affected areas in 2021.  |
| <b>IMPACT ON STAKEHOLDERS</b>  | <p>"As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.</p> <p>The security of company workers who work in such areas could also be at risk."</p>  |
| <b>IMPLEMENTED MGT PRACTICES</b>   | <p>"The company has the following internal instruments and benefits to ensure safety for workers to operate in conflict zones:</p> <ul style="list-style-type: none"> <li>Anti-fraud policy manual ensuring due diligence of internal and external processes.</li> <li>Manual of policies and procedures for the administration area and finance.</li> <li>Internal regulations in force.</li> <li>Formal community protocol to deal with situations of contingency in conflict zones, shared with all workers.</li> <li>In addition to complying with all legal contractual obligations in force at the employment, they offer to permanent and temporary workers, an insurance of personal accident and complementary insurance.</li> <li>Code of ethics and conduct for all workers in the business.</li> </ul> <p>In addition to that, with the aim of building trust from participation and relevance to the permanence in the territories where Balloon Latam works, the company uses the methodology linkage balloon which considers:</p> <ol style="list-style-type: none"> <li>1) Early bonding</li> <li>2) Generation of dialogue spaces</li> <li>3) Construction of territorial networks</li> <li>4) Conformation of collaboration measures and generation of agreements</li> <li>6) Process monitoring and incident control"</li> </ol> |
| <b>OTHER MANAGEMENT COMMENTS</b>   | The teams are local, therefore they are part of the community or very close   |