



PosiGen

Disclosure Report
Date Submitted: May 3rd, 2023



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 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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: Litigations

Issue Date	Ongoing
Topic	Litigations related to clients issues
Summary of Issue	In the past five years, five lawsuits have been filed against PosiGen regarding damages sustained by clients, such as, but not limited to, property damages and breach of contract. Four of the litigations were settled and one is pending.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The total amount of settlements and payments by the company is less than 1% of PosiGen's FY21 revenue. The pending projected payout of pending lawsuits is less than 1% of the company's 2021 annual revenue.
Impact on Stakeholders	The lawsuits make claims for various forms of financial compensation related to damages that occurred to customers during the provision of service.
Resolution	The company agreed to settle four lawsuits and the outstanding one is pending.
Implemented Management Practices	<ul style="list-style-type: none">• In December 2021 PosiGen adopted Sales Ethics Standards. These standards apply to all employees at PosiGen, and outline standards for how employees should interact with customers and handle sensitive customer information.• As of October 2022, the company implemented a Customer Complaint Resolution Policy established Oct 2022. This Policy is intended to ensure that complaints are received, evaluated, and resolved as quickly, effectively, and holistically as possible in a professional manner. This Policy applies to all complaints from any customer or consumer relating to the Company, its products, employees, or its complaints-handling process itself. Additionally, this Policy applies to all employees and service providers who interact with customers and the general public on the company's behalf.
Related Incidents (Yes/No)	No



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigations and complaints

Issue Date	Ongoing
Topic	Labor litigations related to former employees issues
Summary of Issue	<p>In the past five years, four lawsuits and five complaints have been filed against PosiGen regarding damages sustained by former employees, such as, but not limited to, breach of the employment agreement, unpaid wages and bonuses, amounts owed, illegal termination due to discrimination related to national origin and ethnicity, unequal payment, harassment and retaliation or discrimination related to race/nationality, sex, gender, age, disability, parental status.</p> <p>Among the labor litigation, three were settled and one is pending. Regarding the complaints, three were settled and two are pending.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The total amount of settlements and payments by the company is less than 1% of PosiGen's FY21 revenue.
Impact on Stakeholders	The lawsuits and complaints claim various forms of financial compensation related to damages to former employees.
Resolution	The company agreed to settle six of the claims (three lawsuits and three complaints). One litigation and two complaints remain unresolved.
Implemented Management Practices	<p>To avoid those issues from happening again, the company implemented the following actions:</p> <ul style="list-style-type: none">• Updated its Employee Handbook,• Implemented a "Diversity, Equity, Inclusion, and Belonging Policy" committing to attracting and retaining a workforce that represents various personal and professional backgrounds, experiences, and perspectives. PosiGen reported ensuring fair and equitable treatment for all its employees. Additionally, the company created channels so employees could report conflicting behavior with this Policy (reaching out to employees' supervisors, HR representatives,

	<p>managers, or a third-party hotline.),</p> <ul style="list-style-type: none">• PosiGen implemented a Code of Business Conduct & Ethics that is designed to deter wrongdoings and to promote:<ul style="list-style-type: none">○ fair and accurate financial reporting;○ compliance with applicable laws, rules, and regulations;○ the prompt internal reporting of violations of this Code as set forth in this Code;○ honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest; and○ a culture of honesty and accountability.• The company also created a Whistleblower Policy as well as an Anti-Corruption Policy
Related Incidents (Yes/No)	No