

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: Pur Project

Date Submitted: March 2016

Industries	Yes	No
Please indicate if the company is involved in production of or trade in any the following (check all that apply.)		
Any product or activity deemed illegal under host country laws or regulations		✓
Gambling		✓
Pharmaceuticals subject to international phase-outs or bans		✓
Payday lending		✓
Pornography		✓
Wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)		✓
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.)		
Diversity and equal opportunity		✓
Employee safety or workplace conditions		✓
Environmental issues		✓
Financial reporting		✓
Geographic operations or international affairs		✓
Investments or Loans		✓
Labor issues (internal and supply chain)		✓
Marketing		✓
Political contributions		✓
Product safety		✓
Taxes		✓

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 "True." If false, select "False."		
Company is formally registered in accordance with domestic regulations	✓	
Company has not reduced or minimized taxes through the use of corporate shells or structural means		✓
Company facilities are not located adjacent to or in sensitive ecosystems	✓	
Company or company supplier does not employ workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) a d company keeps personal records that include evidence of the date of birth of each	✓	
Overtime work for hourly workers is voluntary (not compulsory)	✓	
Company or company suppliers do not use any workers who are prisoners	✓	
Company allows workers to freely associate and to bargain collectively for the terms of one's employment	✓	
Outcomes	True	False
Please indicate if the following statements are true regarding if the company has experienced any of the following in the past 5 years (check all that apply.) If the statement is true, select "True." If false, select "False."		
Company and Significant Suppliers has not had an operational or on-the-job fatality	✓	
Company and Significant Suppliers' sites have not experienced any accidental discharges to air, land or water of hazardous substances	✓	
No construction or operation of company facilities and Significant Suppliers' facilities have resulted in the relocation of any individuals or households near your facility	✓	
No material litigation against company	✓	
Company has not filed for bankruptcy	✓	

Date: 23rd March 2016

Subject: B Corp transparency statement

The following letter is written in the framework of PUR Projet's B-Corp audit, to explain the governance and the structure of the company.

PUR Projet's philosophy and core values

PUR Projet is a « social business », which involves¹:

1. Business objective is to overcome poverty, or one or more problems (such as education, health, technology access, and environment) which threaten people and society; not profit maximization.
2. Financial and economic sustainability.
3. Investors get back their investment amount only. No dividend is given beyond investment money.
4. When investment amount is paid back, company profit stays with the company for expansion and improvement.
5. Gender sensitive and environmentally conscious.
6. Workforce gets market wage with better working conditions.
7. ...do it with joy.

NB: Principle 3 is not relevant for PUR Projet, as the company has no external investors, and did not require investment money to be founded.

PUR Projet has two main activities:

- Insetting program management, which is mainly done at the level of PUR Projet Paris office, and gathers all the work we do with partner organizations (companies, foundations, public bodies)
- Insetting field project development and operations, which is mainly done by PUR Projet international office based in Singapore, which gathers all the work we do on the "field", in collaboration with local cooperatives and communities

PUR Projet's entities organization

PUR Projet is composed of four legal entities:

- PUR Alliance Pte Ltd, the holding structure, based in Singapore
- The Pure Project SARL, an operational entity, based in Paris, France
- PUR Development Pte Ltd, an operational entity, based in Singapore
- Thamma Raksa, an operational entity, based in Chang Mai, Thailand

The Pure Project SARL provides insetting programs management and consulting services to companies and partner organizations in the Euro zone, and is in charge of operating field projects in the Euro zone.

¹ As per Muhammad Yunus's 2009 definition, available [here](#).



PUR Development Pte Ltd provides inseting programs management and consulting services to companies and partner organizations outside of the Euro zone (and to private foundations which can be located in France), and is in charge of operating field projects out of the Euro zone.

The creation of the structures in Singapore has been pursued on the grounds described below:

- Before the creation of the structures in Singapore, PUR Projet was made of one structure in France, and one structure in Thailand. The structure in Thailand was owned at 49% by the structure in France and at 51% by a local partner, as it is mandatory that the majority of the ownership of a Thai company is owned by a Thai person or structure. The Thai structure managed the operations in Thailand, and some operations in Asia out of Thailand.
- In 2014, the growth of PUR Projet created the following requirements:
 - Being able to hire international high-level professionals located in countries other than France or Thailand
 - Being able to operate in Asia outside Thailand
 - Being able to receive grant funding outside France for a non-tax minimization purpose: some of PUR Projet's partners are private foundations and PUR Projet is not a French association; therefore PUR Projet invoices VAT, which cannot be recovered by some private foundations.

Several options were investigated to address the need of an international structure. The structure needed to be located in South East Asia, as PUR Projet's founder lives in Thailand and that PUR Projet's managing director is based in Singapore. The Thai option was not possible due to the ownership requirement; also we needed a robust banking system with an acceptable currency risk to operate our funds, which are mainly in USD and EUR and fund projects in local currencies all over the world. Finally, Singapore private employment contracts were interesting in the ability it would give us to hire international profiles. Following the creation of the structure in Singapore, PUR Projet has been able to hire two project coordinators in Bogota, one in Ethiopia, one in Thailand and one in Indonesia. It is in the vision of PUR Projet not to create local structures in the projects countries to maximize the empowerment of the local communities and cooperatives; but from a carbon footprint point of view we decided it was not viable to have our projects coordinators located in France and travelling abroad all the time.

PUR Projet's tax structure

The separation of revenues and expenses strictly respect the split of the operations between the two structures.

The taxes are then paid where the value is created.

Revenues:

- Revenues from clients in the EURO zone are invoiced from the French entity, which represents a majority of the revenues (65% in the last fiscal year)
- Revenues from clients outside the EURO zone are invoiced from the Singapore entity, which has represented 33% of the revenues in the last fiscal year
- Revenues from clients in Thailand are invoiced from the Thai entity (2% in the last fiscal year)

Costs:

- Costs managed with the French entity:
 - Salaries of the entity (program managers, communication team, administration, etc.)
 - Production costs in the EURO zone (partners located in the euro zone)
 - Overheads of the entity
 - Production costs invoiced by the Singaporean entity
- Costs managed by the Singapore entity:
 - Salaries of the entity (field projects developers, administration)
 - Production costs out of the euro zone
 - Overheads of the entity
 - Program management costs invoiced by the French entity

Internal invoicing is processed very carefully twice a year to ensure the balance sheets of each entity correspond to their activity to avoid any tax regulation issue. The internal invoices reflect and respect the location where the added value is created to ensure that all taxes are paid accordingly.

Note:

If the explanations above were not sufficient to raise doubts about potential tax optimization intentions:

- The French administration is, legitimately, regarding and demanding on transfer pricing practices; PUR Projet has absolutely no interest in trying to minimize taxes by inappropriate transfer pricing methods
- The Singaporean tax standards do not consider stock valuation and risks provision as the French system does. As a matter of fact, moving the stock to Singapore has proportionally increased its taxation for the first year, whereas it was more beneficial when accounted in France, as the valuation is spread out over time

Pierric Jammes
Managing Director

