



## 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: Adam Smith International

Date Submitted: 04/24/2023

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:

Adam Smith International

UPDATED AS OF:

04/24/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Other - Clients in controversial industries
<b>TOPIC</b>	Adam Smith International works with clients, including governments, bilateral and multilateral donors, to implement development programmes that work in the mining, oil, and gas sector.
<b>SUMMARY OF ISSUE</b>	<p>Adam Smith International works with clients, including governments, bilateral and multilateral donors, to implement development programmes that work in the mining, oil, and gas sector. These programmes are designed help communities to share in returns from extractive industries, making sure that mining laws are fair, the environment is protected, and people are consulted, share in benefits (e.g. employment), and are protected from any potentially negative impacts.</p> <p>In the reporting period (FY21), the company was part of three programs working in the mining, oil, and gas sectors:</p> <p>(1) Australia Mongolia Extractives Program (AMEP) Phase II: An Australia Department of Foreign Affairs and Trade (DFAT) funded program implemented from 2019-2024 that provides assistance to Mongolia to sustainably manage its resource-led growth. The program ensures that Mongolia's citizens experience equitable and sustainable growth from their mineral resources, and also improves regulation, governance and stakeholder collaboration in the mining sector,</p> <p>(2) Georgia Mining Sector Phase II: A European Bank for Reconstruction and Development (EBRD) funded program implemented from 2020 – 2022. The program is supporting Georgia to promote its mineral potential and improve its attractiveness for responsible investors. This includes supporting the digitization of existing regional airborne magnetic data, developing a communication strategy for promoting responsible mining with associated promotional materials, and providing training and study visits on good practices around the mining project cycle on a range of topics including managing social and environmental impacts.</p> <p>(3) Mongolian Mining Industry and Supply Chain – Investment Climate Benchmark Study: A European Bank for Reconstruction and Development (EBRD) funded program implemented from 2021 – 2022. The study examines the investment climate and supply chain issues in Mongolia's mining industry.</p> <p>Since the reporting period (FY21), ASI has commenced a further project involved in this sector:</p> <p>(4) Garamba Alliance, DRC, (2022-23) - a USAID funded project tackling illegal mining inside Garamba National Park. The park has 4,000 illegal miners operating inside GNP resulting in major environmental damage to the 100+ ha of protected land within the park, as well as risk to human rights. The Alliance has plotted a joint roadmap together with local authorities and communities, and is making efforts to move collectively wards legal and responsible mining.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	Between June 2020 and October 2022, Adam Smith International earned 0.77% of its revenue from programs in the Mining, oil, and gas sectors.
<b>IMPACT ON STAKEHOLDERS</b>	These controversial industries present a high risk of negatively affecting communities and ecosystems. Therefore, it is best practice that companies have mechanisms in place to ensure that they are not promoting the controversial aspects of these companies.



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IMPLEMENTED MGT PRACTICES	<ul style="list-style-type: none"><li>• Adam Smith International does not have a policy of actively avoiding these potentially sensitive industries,</li><li>• The company does not work with clients who are profit-making businesses within these industries,</li><li>• Adam Smith International has policies and practices in place for carrying out due diligence to ensure that the service provided by the company are not used for harming people and the environment. On the company's Code of Conduct, its due diligence process is detailed. It chooses its partners and suppliers through competitive selection processes, and conducts thorough background checks and due diligence.</li><li>• According to the company, its policies are designed to reduce the risk of Adam Smith International becoming associated - through our partners and suppliers - with fraud, bribery, corruption, sanctions, tax evasion, terrorism financing, modern slavery, and human trafficking,</li><li>• Adam Smith International is a signatory of the United Nations Global Compact (UNGC)</li></ul>
REPORT	<ul style="list-style-type: none"><li>• More about the United Nations Global Compact (UNGC): <a href="https://www.unglobalcompact.org/what-is-gc">https://www.unglobalcompact.org/what-is-gc</a></li><li>• Partner Code of Conduct: <a href="https://issuu.com/adamsmithinternational/docs/asi_partner_code_of_conduct">https://issuu.com/adamsmithinternational/docs/asi_partner_code_of_conduct</a></li></ul>



## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: Adam Smith International      UPDATED AS OF: 04/24/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Fatality
<b>ISSUE DATE</b>	January 2019
<b>TOPIC</b>	Fatality accident involving two workers
<b>SUMMARY OF ISSUE</b>	Two employees were killed in the Al-Shabaab attack on January 2019 in the hotel complex where the offices of Adam Smith International in Kenya were located.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	In the last 5 years, the company has had two fatality cases.
<b>IMPACT ON STAKEHOLDERS</b>	Two people died. In addition to that, fatalities and accidents have emotional, mental and financial implications to family members, friends and colleagues of the people involved in the occurrence.
<b>IMPLEMENTED MGT PRACTICES</b>	Adam Smith International made a claim on behalf of the victims from one of their insurance policies and secured compensation for their families as a result. The company also moved out of the DusitD2 Hotel Complex in response to this event and moved the office to a new lower profile location. They have a global Head of Operations & Security who reviews all of their operational platforms from a risk and security perspective to help mitigate the risk of experiencing future employee fatalities globally.
<b>REPORT</b>	<a href="#">Adam Smith International loses two colleagues in Nairobi terrorist attack</a>
<b>RELATED INCIDENTS (YES/NO)</b>	No



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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Operations in Conflict Zones
<b>TOPIC</b>	Adam Smith International derives a part of their revenue from operations based in Mali, Iraq, Syria and Somalia.
<b>SUMMARY OF ISSUE</b>	<p>Adam Smith International is a global advisory company that delivers donor-funded programmes in several countries, including Mali, Iraq, Syria and Somalia.</p> <p>Mali, Iraq, Syria and Somalia are classified as conflict-affected countries by World Bank in 2023.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	Approximately 33% of the company's annual revenue were related to programmes developed in conflict-affected countries. 27% of the company's revenue were associated to programmes in Somalia, 5% from Mali, 1% from Iraq and less than 1% from Syria.
<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. The company should also have mechanisms in place to not sponsor or promote any activities that could increase the widespread of human rights abuses and violations.</p>
<b>IMPLEMENTED MGT PRACTICES</b>	<p>A clear do no harm policy informs all Adam Smith International's project methodologies and they work closely with their donors to ensure that project activities are not designed in a way that will exacerbate conflict. Projects working in conflict zones routinely conduct conflict analysis to understand how the project would interplay with the conflict, thereby informing their approach to not exacerbate it, and to be more resilient to it. Their Global Head of Security &amp; Operations reviews all operations taking place in conflict affected zones. All of their programmes in these areas involve regular stakeholder and political economy analysis to develop an understanding of what key stakeholder interests are and how these may be affected by the programmes.</p> <p>ASI also has a Code of Conduct which all workers have to sign which details their anti-corruption and bribery policy and their commitment to ensuring that staff are in healthy, safe conditions in all working environments. Their Code of Conduct also details their third party screening policy which is designed to reduce the risk of ASI becoming associated - through partners and suppliers - with fraud, bribery, corruption, sanctions, tax evasion, terrorism financing, modern slavery and human trafficking.</p>
<b>REPORT</b>	ASI's policies are <a href="#">available online</a> .