

Search Engine Marketing Boutique GmbH

Disclosure Report Date Submitted: March 27th, 2023

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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:

- 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 of or trade in any of the following. Select Yes for all options that **Animal Products or Services** $\boxed{}$ **Biodiversity Impacts** Chemicals $\boxed{}$ **Disclosure Alcohol Disclosure Firearms Weapons** $\boxed{}$ **Disclosure Mining** $\boxed{}$ **Disclosure Pornography** $\boxed{}$ **Disclosure Tobacco** $\boxed{}$ **Energy and Emissions Intensive** $\boxed{}$ Industries Fossil fuels \square Gambling **Genetically Modified Organisms** $\overline{\mathbf{A}}$ Illegal Products or Subject to $\overline{\mathbf{A}}$ **Phase Out** Industries at Risk of Human \square **Rights Violations Monoculture Agriculture** \square **Nuclear Power or Hazardous** $\overline{\mathbf{A}}$ **Materials** Payday, Short Term, or High **Interest Lending Water Intensive Industries** $\overline{\mathbf{A}}$ Tax Advisory Services

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		V	
Breaches of Confidential Information		N	
Bribery, Fraud, or Corruption		V	
Company has filed for bankruptcy		V	
Consumer Protection		V	
Financial Reporting, Taxes, Investments, or Loans		V	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		N	
Labor Issues			
Large Scale Land Conversion, Acquisition, or Relocation		N	
Litigation or Arbitration		N	
On-Site Fatality		\searrow	
Penalties Assessed For Environmental Issues		V	
Political Contributions or International Affairs		N	
Recalls		V	
Significant Layoffs		V	
Violation of Indigenous Peoples Rights		V	
Other		\checkmark	



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		K
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		V
Company prohibits freedom of association/collective bargaining		\searrow
Company workers are prisoners		\searrow
Conduct Business in Conflict Zones		\checkmark
Confirmation of Right to Work		V
Does not transparently report corporate financials to government		\searrow
Employs Individuals on Zero-Hour Contracts		K
Facilities located in sensitive ecosystems		N
ID Cards Withheld or Penalties for Resignation		\
No formal Registration Under Domestic Regulations		V
No signed employment contracts for all workers		V
Overtime For Hourly Workers Is Compulsory		V
Payslips not provided to show wage calculation and deductions		V

	Yes	No
Sale of Data		\checkmark
Tax Reduction Through Corporate Shells		V
Workers cannot leave site during non-working hours		V
Workers not Provided Clean Drinking Water or Toilets		\searrow
Workers paid below minimum wage		N
Workers Under Bond		\checkmark
Other	\checkmark	

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		V
Child or Forced Labor		V
Negative Environmental Impact		\vee
Negative Social Impact		\vee
Other		\checkmark



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Disclosure Industries

Topic	Clients in Controversial Industries
Summary of Issue	Search Engine Marketing Boutique provides Google Ads services (Google Ads Consulting and Ads Management). The company serves clients from controversial industries, such as Pharmaceuticals, Fossil Fuels & Energy Companies as well as For-Profit Education organizations on an ongoing basis. The company has one client in the Payday, Short Term, or High-Interest Lending industry. The service provided by the company is relevant for clients in both controversial and non-controversial industries and does not have a different pricing method for companies operating in controversial industries. The service provided does not result in management of harm from the controversial industry nor aimed at enabling clients to comply with pertinent legislation in the countries in which it operates.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the last fiscal year, the % of revenue represented by clients in controversial industries where as follows: • Pharmaceuticals: 0.56 % • Fossil Fuels & Energy Companies: 1.69% • For-Profit Higher Education: 0.76% • Payday, Short Term, or High-Interest Lending industry (2021): 2%
Impact on Stakeholders	Companies that work with clients in controversial industries can indirectly increase the harmful impact to stakeholders by enabling business growth. Therefore, companies that work with clients in these industries should have practices in place to ensure that their impact is aimed at decreasing the negative impacts of the industry. B Lab has flagged the involvement of companies with clients in controversial industries as a material issue and new standards will be created to address possible risks related to this matter.
Implemented Management Practices	In 2022, Search Engine Marketing Boutique established a code of ethics which states the company's commitment to selecting clients that are aligned with its values and explicitly excluding cooperation with clients operating in the following industries:



Gambling / casino Weapons Usurious loans Petroleum companies Mining Factory farming Genetic modification of plants or animals Illegal products Fast fashion For companies not operating in these industries, the company carries out due diligence by reviewing the industry itself and establishing if it is in line with the company's code of ethics as well as researching the assortment of products or services offered by potential clients and any public information available on the company. The company has turned down a significant number of inquiries. **Management Comments** The company's client in the controversial industry Fossil Fuels & Energy Company is a local supplier of Eco Power and Telecommunication. The client works above industry standards, when it comes to quality, transparency and environmental responsibility.