

ActionFunder

Disclosure Report

Date Submitted: September 3rd, 2024



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 Gambling \square **Genetically Modified Organisms** \square Illegal Products or Subject to \square **Phase Out** Industries at Risk of Human $\boxed{}$ **Rights Violations Monoculture Agriculture Nuclear Power or Hazardous** \square **Materials** Payday, Short Term, or High $\overline{\mathbf{A}}$ **Interest Lending** Water Intensive Industries \square **Tax Advisory Services** \square

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		∀	
Breaches of Confidential Information		X	
Bribery, Fraud, or Corruption		V	
Company has filed for bankruptcy		N.	
Consumer Protection		\vee	
Financial Reporting, Taxes, Investments, or Loans		N	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		\checkmark	
Labor Issues		\searrow	
Large Scale Land Conversion, Acquisition, or Relocation		X	
Litigation or Arbitration		\vee	
On-Site Fatality		V	
Penalties Assessed For Environmental Issues		V	
Political Contributions or International Affairs		Y	
Recalls		\checkmark	
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		\checkmark
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		\checkmark
Company prohibits freedom of association/collective bargaining		\checkmark
Company workers are prisoners		\checkmark
Conduct Business in Conflict Zones		\checkmark
Confirmation of Right to Work		\checkmark
Does not transparently report corporate financials to government		\vee
Employs Individuals on Zero-Hour Contracts		\vee
Facilities located in sensitive ecosystems		V
ID Cards Withheld or Penalties for Resignation		V
No formal Registration Under Domestic Regulations		\vee
No signed employment contracts for all workers		∀
Overtime For Hourly Workers Is Compulsory		V
Payslips not provided to show wage calculation and deductions		\vee

	Yes	No
Sale of Data		V
Tax Reduction Through Corporate Shells		N
Workers cannot leave site during non-working hours		N
Workers not Provided Clean Drinking Water or Toilets		N
Workers paid below minimum wage		\searrow
Workers Under Bond		✓
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		\vee
Child or Forced Labor		V
Negative Environmental Impact		\vee
Negative Social Impact		\vee
Other		✓



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Other - Clients in Controversial Industries

Topic	Company serves clients in Controversial Industries
Summary of Issue	ActionFunder is a company that provides services related to community fund design. The company has served clients in the alcohol, fossil fuel (coal and oil sand) and water utilities industries by offering access to a tech platform that helps community groups in need of fiscal support and consultancy services for community fund design, delivery, and distribution. The company's services can be sold to both controversial as well as non-controversial industries.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	For the fiscal year 2023, the revenue generated from clients in controversial industries accounted for46% of the company's overall revenue: - Clients operating in the alcohol industry represented approximately 24%. - Clients operating in the fossil fuel (others excluded coal and oil sand) industry represented approximately 16%. - Clients operating in the Water utilities industry represented approximately 6%.
Impact on Stakeholder(s)	Companies that work with clients in controversial industries can indirectly increase the harmful impact on stakeholders of those businesses by enabling their 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. Currently, B Lab does not have specific requirements for companies with clients in this/these industries. However, Certified B Corps are required to make transparent their involvement with such clients. As B Lab continues to evolve its standards and due diligence approach for companies with Clients in Controversial Industries, the updated criteria will be shared with the company once they are finalized. B Lab recognizes that the company began its verification process prior to B Lab developing standards for Clients in Controversial Industries, and, therefore, the company will be



	required to meet the new standards by their next recertification.
	Additionally, as of the date of this disclosure, the company has committed to not working with any new companies or projects involved in the controversial industries in question.
Implemented Management Practices	The company has a policy of not working with companies involved in Tobacco, Arms, or Pornography. For companies in the Fossil Fuel and Gambling industries, the decision to work with them is taken by the company's board. When considering working with sensitive industries, the company conducts an open and transparent consultation with its internal team, conducts a survey of their non-profit community to determine if they want to receive funds from such industries and reviews the board' assessment. The company's services aim to remove barriers between worthwhile causes and funding from companies; to ensure that the company reviews that their clients are not involved in green-community washing and follows the Advertising Standards Authority guidelines.