



## **B Lab Statement on /asbz' B Corp Certification**

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies providing tax advisory services:

*“Companies in the tax advisory industry are eligible for B Corp Certification if they are able to confirm that their tax philosophy, used to provide services and recommendations to clients, aligns with the company specific principles listed in B Lab's framework, specifically, 1) the tax advice provided appropriately reflects the actual amount of income generated by the client over time; and, 2) the tax advice provided to a client for a jurisdiction appropriately reflects the actual operations of the client in that jurisdiction.”*

/asbz is required to disclose a summary of how it complies with the above requirements as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's position statement on Companies that Provide Tax Advisory Services and B Corp Certification [here](#).

### **Summary of Company**

/asbz is a multidisciplinary law firm founded in 2011. Headquartered in São Paulo and with an office in Brasília, in addition to a wide network of partners throughout Brazil, it has a team of around 270 professionals specialized in diverse areas of Business Law. The company's mission is to “use their knowledge to drive business forward and solve complex problems with simplicity”. /asbz' tax department provides tax related services, including administrative and judicial defense in tax and social security proceedings, consultancy involving diverse tax advice based on national legislation, and compliance for their clients. Their clients include, but are not limited to, individuals, high net worth individuals, and small-midsize business, enterprises and multinational enterprises established in Brazil. In 2020, tax practice as a whole (advisory and litigation) accounted for approximately 18% of /asbz's revenue. In 2020, the advisory tax practice accounted for approximately 12% of /asbz's revenue.

### **/asbz Policies and Practices**

In alignment with the requirements and principles stated in B Lab's position statement for companies that provide tax advisory services, /asbz has a philosophy statement for the tax advice that they provide to their clients and their own engagement with governments and tax regulators, which has been shared with all their employees. The philosophy statement reads as follows:



*“We believe in a “socially transformative” environment and, to that effect, we value our responsibility with the issue of tax due to its immense impacts on society. We act with transparency (“authenticity”) and we are aware that everyone’s interest (“the other matters”) – taxpayers, governments and society in general – must be balanced within the scope of the tax system.*

*Our consultancy aims to meet the interests of clients as long as they are based on the legislation and its valid interpretations. Any infraction may be reported to the Ethics Committee. We do not discriminate based on the residence of our customers. We do not support any form of tax evasion. However, our tax consultancy has rare (immaterial) consultation cases for clients in these jurisdictions, always speaking exclusively about national legislation. We do not have partnerships with consultants in these jurisdictions and for any transaction involving such jurisdictions, we require the presence of economic substance. We comply internally and in our consulting services with the tax and regulatory rules in Brazil that govern transactions with such locations.”*

All of /asbz consulting is guided by tax legislation and regulations and the company does not support any situations of tax evasion. /asbz has developed an internal standard for the practice of tax consultancy through the application of solid systematized mechanisms. Examples of these mechanism are: (a) Variable remuneration only in case of chances of “remote” loss, according to applicable rules, (b) Recommendation for review or second opinion from other offices, (c) Alternative fee models, in addition to compensation mechanisms (e.g. CAPs) for clients to choose from, (d) Support for reports by independent experts on technical topics, (e) Integration of the tax system with other legal premises (avoiding unwanted side effects in other areas or legislation), (f) Massive revision of legislation and (g) Large-scale quantitative and qualitative jurisprudential analysis for greater certainty in interpretive issues.

Further, the company has its own [Code of Ethics](#) that is publicly available and is reviewed on a regular basis. The Code is applied to any notification of infringement made by a member, either directly to /asbz leaders or via an official [Reporting Channel](#), managed by the company ‘Legal Ética’. Oversight of the reporting channel and any infractions is provided by the Code of Ethics Committee.

All prospective staff undergo training on the Code of Ethics as part of their onboarding. Staff are chosen through a careful selection process and are subject to assessments permitted by the legal system, as long as they do not violate labor rules and constitutional principles, such as, for example, non-discrimination.



## **Government affairs and lobbying**

In Brazil, the company abides by the tax legislation (*princípio da estrita legalidade tributária*) which states that there can be no taxation without legal representation. Therefore, taxpayers are limited in their acts and procedures in line with broad legislation and extensive jurisprudence. While there is no specific legislation regulating Tax Advisors' profession, all lawyers at the company must comply with the Brazilian Bar Association Code of Ethics.

/asbz was the first law firm to adopt a quantitative and statistical approach with the purpose to only discuss plannings with clients that have a consistent compliance margin. In addition, their firm only endorses plannings qualified in the lowest risk grades provided by international accounting regulations (e.g., IFRS 37).

The company has not faced any litigation or penalties by the government agencies in their country of operation for their tax advisory services. /asbz does not provide lobbying services or consultancy services for reforming and/or developing tax legislation.