



# Clever Ghost

Disclosure Report

Date Submitted: August 13th, 2024



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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:

- 1) 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 apply. |                          |                                     |
| Animal Products or Services  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Biodiversity Impacts   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Chemicals  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disclosure Alcohol   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disclosure Firearms Weapons  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disclosure Mining  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disclosure Pornography   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disclosure Tobacco   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Energy and Emissions Intensive Industries  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gambling   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Genetically Modified Organisms   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Illegal Products or Subject to Phase Out   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Industries at Risk of Human Rights Violations  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Monoculture Agriculture  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Nuclear Power or Hazardous Materials   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Payday, Short Term, or High Interest Lending   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Water Intensive Industries   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Tax Advisory Services  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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



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

|  | Yes                                 | No                                  |
|--|-------------------------------------|-------------------------------------|
| Sale of Data   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Tax Reduction Through Corporate Shells               | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Workers cannot leave site during non-working hours   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Workers not Provided Clean Drinking Water or Toilets | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Workers paid below minimum wage                      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Workers Under Bond                                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <a href="#">Other</a>                                | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

## 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  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Child or Forced Labor   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Negative Environmental Impact   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Negative Social Impact  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Other - Clients in Controversial Industries

| <b>Topic</b>  | Company serves clients in Controversial Industries  |
|---|---|
| <b>Summary of Issue</b>   | Clever Ghost is a UK-based graphic design service that offers its services to clients in controversial industries, such as for-profit higher education, fossil fuel (excluding coal and oil sand), and tax advisory services. Their services can also be sold to non-controversial industries.  |
| <b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b> | <p>For the fiscal year 2023, the revenue generated from clients in controversial industries accounted for approximately 3.34% of the company's overall revenue:</p> <ul style="list-style-type: none"><li>- 2.42% of the client revenue has been from clients in the For-profit higher education industry.</li><li>- 0.92% of the client revenue has been from clients in the Fossil Fuel (others excluded coal and oil sand) industry.</li></ul> <p>The company did not generate revenues during 2023 from clients in the tax advisory services.</p>   |
| <b>Impact on Stakeholders</b>   | <p>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.</p> <p>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.</p>  |
| <b>Implemented Management Practices</b>   | <p>The company does not work with clients in the following sectors: Weapons &amp; Defence, Pornography, Debt Collection, Coal or Oil, Companies at risk of Human Rights violations, Pyramid or Multi-Level Marketing Companies, Tobacco or Vaping, Illegal Products, or those subject to phase out. Other companies outside of that list are assessed on a case-by-case basis. The company performs a supplier/client pre-engagement check via a declaration form. This form seeks proof of Anti-Slavery &amp; Bribery policies, certifications and accreditations, third-party certifications related to ESG (Environmental, Social, and Governance), environmental practices, employment practices, and industry disclosures for those red-line industries.</p> |

| <b>Management Comments</b> | <p>At Clever Ghost, we are committed to integrating the recommendations set out by BCorp into our practices. We have already implemented a comprehensive client screening policy that aligns with our values and ensures that we manage the risks associated with working with clients from potentially controversial industries. Our approach is thorough, involving a detailed decision framework for evaluating potential clients. This scoring system includes screening criteria such as the client's industry, ESG practices, potential negative impacts, and conducting background checks to address any stakeholder concerns.</p>  |
|----------------------------|--|
|                            | <p>In addition to these measures, we uphold the standards set out by the International Council of Design (ICoD) Code of Conduct. This commitment guides us in designing ethically, helping us avoid any practices that could be misleading, such as greenwashing or goodwashing. We are acutely aware of the dangers these practices pose, both in our operations and in the services we provide to our clients. To prevent them, we diligently review all public materials to ensure that any claims made are substantiated with concrete evidence of actual impact. We avoid the misuse of broad terms like "sustainable" or "eco-friendly" without clear and comprehensive backing. Our studio also ensures that claims related to specific services or product lines are accurate and do not overstate a company's overall mission or performance. Lastly, we are cautious about using long-term future commitments as justification for current "green" or "good" claims, ensuring that all statements made are truthful and reflective of present actions.</p> |
|                            | <p>By implementing these practices and adhering to the ICoD Code of Conduct, we strive to not only meet but exceed the ethical standards expected of us. We work closely with our clients to ensure transparency and avoid any form of misleading representation. This approach allows us to uphold our moral responsibilities and deliver services that are genuinely aligned with our commitment to positive social and environmental impact.</p>  |