

B Lab Statement on American Prison Data Systems' (APDS) 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 operating in or selling to the prison industry, including companies utilising prison labour:

B Lab and its independent Standards Advisory Council have determined that companies operating in the prison industry are ineligible for B Corp certification. In addition, companies in the U.S. and Canada who sell to prisons, including companies that use prison labour, are placed under an indefinite certification moratorium and are not eligible for B Corp Certification.

B Lab and its independent Standards Advisory Council have determined that, outside of the U.S. and Canada, companies selling to the prison industry, including companies using prison labour, are eligible for B Corp Certification if they have not engaged in specific prohibited practices in the last five years AND are meeting additional industry specific practice requirements.

As a Certified B Corp that supplies to prisons, APDS is required to disclose a summary of how it complies with these industry requirements. For more information on the specific requirements, please refer to B Lab's statement on companies operating in or selling to the prison industry here.

Summary of Company

APDS is an education technology company based in the United States. The company provides education technology products and services for justice-impacted and/or incarcerated individuals to access high-quality education, reentry, and rehabilitation resources. Their education technology products are designed to enable access, engage to educate, and equip incarcerated individuals to earn a living wage career through best-in-class curated education platforms. The company's vision is to prepare 1 million individuals to become career-ready to earn a living wage career.

APDS'S Disclosure on Prohibited Practices

Companies selling to the prison industry, including companies using prison labour, that have engaged in the following practices in the last five years, as demonstrated through company

disclosures or through material, justified, and unresolved stakeholder concerns, are currently ineligible for B Corp Certification:

- Companies that contribute to the construction of new prisons or supply products and/or services designed to restrain or subdue people who are incarcerated, inflict harm or potentially used to inflict harm on people in prisons or other individuals, etc. are currently ineligible for B Corp Certification.
- Companies engaged in any form of lobbying or policy advocacy that directly or indirectly support mass, or increasing rates of, incarceration or prevent reform attempts to reduce incarceration. This includes membership, Board involvement, or funding of industry associations that engage in such lobbying activities.
- Companies with material, justified, and unresolved complaints about product quality, product price and/or work conditions for people in prisons.

APDS does not engage in any form of lobbying or policy advocacy that directly or indirectly support mass, or increasing rates of, incarceration or prevent reform attempts to reduce incarceration. The company does not have any material, justified, and unresolved complaints about product quality, product price and/or work conditions for people in prisons.

Required Best Practices - Companies Selling to the Prison Industry, Including Companies Using Prison Labor

In order to be eligible, companies selling to the prison industry, including companies using prison labor, must be able to demonstrate that they have the following practices in place and disclose them on their B Corp Profile:

1. A transparent mechanism to measure the impact of its products, services, policies and/or activities on reducing recidivism and outcomes for people in prisons and proof of positive impact deemed rigorous as a result of, for example, third party assessment and/or existing primary research.

Research on post-release outcomes indicates that increasing educational-related programs while incarcerated significantly lowers recidivism. Justice-impacted individuals that receive an education while incarcerated are 43% less likely to reoffend when they re-enter their communities¹. Those with a living wage job post-release have only a 5% recidivism rate. By providing the justice-impacted with a living wage career, APDS will help reduce recidivism rates that range from 43-80% (varies by jurisdiction)².

² Aaron Yelowitz and Christopher Bollinger, PRISON-TO-WORK: The Benefits of Intensive Job-Search Assistance for Former Inmates. Civic Report, 2015. https://media4.manhattan-institute.org/sites/default/files/cr_96.pdf

¹ Davis, Lois M., Robert Bozick, Jennifer L. Steele, Jessica Saunders, and Jeremy N. V. Miles, Evaluating the Effectiveness of Correctional Education: A Meta-Analysis of Programs That Provide Education to Incarcerated Adults. Santa Monica, CA: RAND Corporation, 2013. https://www.rand.org/pubs/research_reports/RR266.html. Also available in print form.

An example case study is the company's partnership with Amazon Web Services (AWS) to serve justice-impacted individuals in the Washington D.C. area in the spring of 2022³. As part of this project, the company recorded the total of 30,000-50,000 hours/month of content being consumed by 1,200 users. Among those who sat for the exam, 85% received their AWS Certified Cloud Practitioner. In addition to that, the D.C. Department of Corrections reported an increasingly low recidivism rate in 2022 (84% individuals not recidivating).

Another example case study is the company's work with the Massachusetts justice system⁴. As part of this project, the company deployed 5,338 tablets in 10 facilities. The company also registered an increase in monthly usage of 39%, the average monthly usage year over year increased to 65%. Following the final deployment, APDS will continue to meet with MADOC to review learner progress data from the APDS Data Dashboard and support the initiative's success.

2. A public stance against mass, or increasing rates of, incarceration and other material issues related to the prison industry, approved by the highest level of governance (e.g., Board of Directors) within the company, and a commitment to making efforts towards collective action and/or engagement with stakeholders, focused on improving how people who are incarcerated are viewed and treated before, during and after incarceration.

In alignment with the requirements and principles stated in B Lab's position statement for companies that work with prison suppliers, APDS has the following philosophy in regards to mass incarceration, collective action and government affairs. The philosophy statement reads as follows:

APDS will break the cycle of incarceration by preparing every justice-impacted individual for living-wage employment. We believe recidivism and incarceration rates in this country will dramatically decline as we successfully prepare and support those who are justice-impacted to find employment and become valued members of society. We do not differentiate our support for the justice-impacted based on where they are incarcerated, the nature of their crime, length of incarceration or any other limiting factor. We believe that by offering resources to motivate and engage our justice-impacted learners, we can educate and equip them to obtain living wage employment. As such, APDS offers free, high quality, evidence-based, education, rehabilitation, job training and reentry resources to those currently incarcerated through our platform, and our support continues into release for those returning to society. We seek to improve the outcomes of this group who traditionally have high levels of re-offending and unemployment, helping to break this cycle by preparing them to obtain and sustain living wage employment. In this way we help individuals to reconnect with society, reconnect with their families and to rebuild their lives. This also reduces crime in local communities, reduces taxpayer costs for prison, health & employment services and improves outcomes for all. Key to this approach is our belief that those from challenged backgrounds should never be charged

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³ APDS case study available here: https://drive.google.com/file/d/1HusMSp5jyHQIMdWhkW4IMLwXuHYisCrL/view

⁴ APDS case study available here: https://drive.google.com/file/d/1D0rPVF1QfcJxSvvO685XI-R54aGRXxvy/view

for access to education and communication, and that, above all, they deserve a second chance. They should be able to hold their heads high, work in living wage careers, and be welcomed in a workplace that supports and respects their right to a second chance. We work with all our stakeholders to make this a reality.

Regarding collective action and/or stakeholder engagement, APDS is exploring a partnership with the non-profit Jobs for the Future (JFF) to support their National Policy Agenda for Justice and Economic Advancement.

3. Public disclosure detailing the company's approach to government affairs, inclusive of lobbying/advocacy and political activities. This should include disclosure of the material issues that the company lobbies/advocates for, their trade associations, and the controls they have in place in regards to political contributions, lobbying/advocacy on the company's behalf, revolving door policy, political contributions and donations.

APDS does not support any lobbying activities or advocacy positions that would result in higher levels of incarceration or longer sentences. Currently, the company is not performing direct lobbying activities. As a corporate policy, APDS does not make campaign contributions for candidates or contribute to candidates' political action committees.

4. Policies and practices to address the concerns of mass, or increasing rates of, incarceration and the prison industry in other aspects of its operations, including its charitable efforts, fair chance hiring practices, customer screenings, affected stakeholders incorporated in governance structure, etc.

APDS is committed to fair chance hiring practices. As a reflection of this commitment, 12% of the company's employees are formerly incarcerated and/or justice-impacted. 14% of the APDS corporate board is formerly incarcerated, too.

AWS is currently working with APDS on a pathway to apprenticeships at AWS — the next step in the path is to get employed. The company aims to develop an expansion employer program projected to launch in multiple jurisdictions in 2023 and 2024 with AWS. Additionally, APDS is working with other organisations that are willing to hire justice-impacted individuals.

Required Best Practices - Companies Selling to the Prison Industry

- 5. The company can prove that its products/services reduce recidivism and/or produce positive outcomes for people during and/or after incarceration. For example,
 - a. The company delivers training/skills building services proven to increase rates of employment after incarceration, or
 - b. The company supplies products or services that meet the basic needs that can be proven to increase the health and wellbeing of people who are incarcerated while in prisons (e.g. food, clothing, healthcare, entertainment, maintenance, etc. that are better options than otherwise available).

APDS education technology products are designed to enable access, engage to educate, and equip incarcerated individuals to earn a living wage career through best-in-class curated education platforms. The company's vision is to prepare one million individuals to become career-ready to earn a living wage post-release. APDS focuses on access to high quality education, recognizing that only 17% of the people incarcerated in the U.S. have access to high quality education.

Research on post-release outcomes indicates that increasing educational-related programs while incarcerated significantly lowers recidivism. Justice-impacted individuals that receive an education while incarcerated are 43% less likely to reoffend when they re-enter their communities⁵. Those with a living wage job post-release have only a 5% recidivism rate. By providing the justice-impacted with a living wage career, APDS will help reduce recidivism rates that range from 43-80% (varies by jurisdiction)⁶.

For example case studies, please reference the Amazon Web Services and Massachusetts justice system case studies summarised above.

6. For companies that charge people who are incarcerated and/or individuals acting on their behalf for products/services, the company can prove that its products/services are affordable for people in prison.

For example, a basic version of the products or services (meeting basic quality and safety standards) are offered at a price proportionate to the income available to people who are incarcerated.

APDS develops education technology products and services designed to address incarcerated learners comprehensively. A wholistic approach to their product technology stack focused on:

- Basic and advanced level education;
- Rehabilitation:
- Specialised training, industry-leading certification offerings; and
- Workforce development curriculums.

The company provides all of their education technology and services at no cost to the justice-impacted individuals nor their families.

7. The company maintains a transparent quality assurance system that includes direct and private feedback from affected people and where possible, takes action based on the feedback.

⁵ Davis, Lois M., Robert Bozick, Jennifer L. Steele, Jessica Saunders, and Jeremy N. V. Miles, Evaluating the Effectiveness of Correctional Education: A Meta-Analysis of Programs That Provide Education to Incarcerated Adults. Santa Monica, CA: RAND Corporation, 2013. https://www.rand.org/pubs/research_reports/RR266.html. Also available in print form.

⁶ Aaron Yelowitz and Christopher Bollinger, PRISON-TO-WORK: The Benefits of Intensive Job-Search Assistance for Former Inmates. Civic Report, 2015. https://media4.manhattan-institute.org/sites/default/files/cr_96.pdf

The APDS learner portals include student feedback systems that encourage learners to share their experiences using the APDS education technology curriculums. Product feedback and learner input is captured and recorded in the product development system. The company's chief technology and product officer is accountable for managing the feedback mechanism.