



Lab
Global

CAUSE

Disclosure Report

Date Submitted: July 23rd, 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:

- 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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"/>
Other	<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

Clients in Controversial Industries	
Topic	Clients in Controversial Industries
Summary of Issue	<p>CAUSE is a consulting firm focused on sustainability and impact programs and the implementation of Environment Social Governance (ESG) projects and practices services to clients.</p> <p>In the last five years, the company has had clients from these industries: agribusiness producers in Brazil, alcohol, bottled water companies, for-profit higher education, mining & pharmaceuticals, which are deemed controversial industries by B Lab.</p> <p>All of the company's services can be sold to both controversial as well as non-controversial industries. Still, every project aims to develop better ESG practices in those industries.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>In the fiscal year end of 2023, the company had generated 5.86% of its total revenue from clients in the for-profit higher education industry and 29.06% from clients involved in the pharmaceutical industry.</p> <p>The last service provided to clients in the alcohol industry and bottled water companies was in the year of 2021 and the company earned 11.72% and 7.46% of its total revenue from each of those industries respectively.</p> <p>The last service provided to clients in agribusiness producers in Brazil and mining companies was in the year of 2020 and the company earned 13.84% and 4.02% of its total revenue from each industry respectively.</p>
Impact on Stakeholders	<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>



Implemented Management Practices	<p>CAUSE does not have a specific position on working with clients in controversial industries. The company does however have policies for its clients and partners which safeguards CAUSE from any association with companies and organizations that are involved in questionable practices such as illicit or unethical practices. Within the company's Code of Ethics and Conduct, the due diligence purpose is stated and it is carried out to prevent contract with companies/partners with potential involvement in illicit activities.</p> <p>Before starting any business relationship or partnership, would carry out an internal process of due diligence. This includes customers, suppliers, partners and any other entity with which the company would potentially work with. CAUSE does its research through internet involving news, comments, public information and through stakeholder consultations. The company identifies and verifies the legitimacy of the news collected and makes a decision to pursue or cease a business relationship with the relevant party.</p> <p>CAUSE's Code of Ethics and Conduct further emphasizes its compliance in regards to money laundering and the financing of illicit activities, it is stated that rigorous due diligence will always be carried out, placing this task as the responsibility of all employees, who must, in the event of suspicions, inform the responsible department. The company ensures that the identity of the person reporting is preserved.</p>
Management Comments	<p>In 2018, there was a case in which the founder of an organization that was our client was accused (and temporarily arrested) for corruption. As soon as we heard the news, we immediately terminated the contract. In this case, we prefer to preserve the identity of the person and the organization.</p>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Payslips not provided to collaborators

Issue Date	2013 - 2024
Summary of Issue	Payslips not provided to collaborators
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Since its creation in 2013, Cause has worked with consultants and collaborators. The company was not providing their workers with payslips or receipts of payments until July 2024.
Impact on Stakeholders	Payslips is important to transparently and accurately inform workers of their earnings and deductions.
Implemented Management Practices	The company has remediated by providing payslips to all workers, establishing a policy that formalizes the process so as to continue providing them going forward, and emailing workers to inform about the change in the company's policy and how to proceed in case they do not receive payslips or receipts of payments at any given month.
Related Incidents (Yes/No)	No.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Significant layoffs of >20% of workforce

Issue Date	December 2019
Topic	Significant layoffs due to a decision to downsize.
Summary of Issue	In December of 2019, Cause laid off some employees that they had previously hired at the beginning of the same year as part of a planned expansion to offer additional services that did not prove to be economically viable.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	4 employees were laid off, representing 30% of the company's employees at that time.
Impact on Stakeholders	The affected employees were laid off in accordance with their contractual obligations.