



Definition IP Limited

Disclosure Report

Date Submitted: April 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:

- 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 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"/>
Fossil fuels 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"/>
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

Topic	Clients in Controversial Industries
Summary of Issue	Definition IP Limited is a strategy consultancy company that has had clients in the alcohol, for-profit higher education, fossil fuels, genetically modified organisms, and pharmaceutical industries. The nature of the company's services with clients in these industries has been related to intellectual property. All services can be sold to both controversial as well as non-controversial industries.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The revenue from clients in the alcohol industry represented 0.52% in FY22-23. The revenue from clients in the for-profit higher education industry represented 3.06% in FY22-23. The revenue from clients in the fossil fuel industry represented 0.98% in FY22-23. The revenue from clients in the genetically modified organisms industry represented 2.27% in FY22-23.
Impact on Stakeholders	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. 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.
Implemented Management Practices	The company has an ethical client selection policy, and the company will not work for tobacco companies, opioid manufacturers, weapons manufacturers, sexual entertainment venues and providers; companies engaged in fossil fuel mining; gambling operators who are not subject to UK or Irish gambling regulations, and payday lending services. The company considers potential negative impacts on vulnerable populations, or displays undesirable business practices for all new clients before accepting them. All new clients need to complete an engagement form that is

	<p>discussed at director level. The company does not have a formal due diligence process to investigate clients beyond what is required to perform their work. Definition IP's client selection policy requires them to highlight and discuss any concerns related to the industry their potential clients are involved in before providing services to them.</p> <p>The company does not require their clients to sign their code of conduct.</p>
Management Comments	<p>Our ethical client selection policy was agreed following extensive discussion at director level. This policy sets out an excluded list of industries in which we will not undertake any work, under any circumstances, including, for example, in industries related to weapons, mining, and payday/unethical lending services, among others.</p> <p>This ethical client selection policy also includes a list of all of the industries that are considered controversial by B Lab, to ensure that any clients working within these industries are subject to additional scrutiny before we will undertake to work for them. For instance, we work with the Moorland Spirit Company in the alcohol industry. The Moorland Spirit Company produces Hepple Gin. Hepple is a Northumberland estate located locally to our Newcastle office and hosts the Hepple Distillery. The distillery has a strong focus on sustainable practices and is part of an ecological renewal project across the estate to build biodiversity, reintroduce native plants and wildlife and revive the local population of natural juniper. However, any alcohol client would be discussed at director level to determine whether we are willing to undertake the work, based on the potential for harm resulting from facilitating growth of the particular company, and of this industry more generally. Our revenue from clients in the alcohol industry in FY22-23 was less than 1% (0.52%).</p> <p>We also work with a number of UK and Irish universities, and our revenue from university clients was 3.06% in FY22-23. The universities we work with are all government funded. In our experience, the university research projects we support with our services are often 'for good', due to the independent nature of the research, and the freedom from the need to derive profit from the innovation. A significant number of these projects are therefore focused on green or environmentally-friendly technologies, and we are a frequent user of the UK Intellectual Property Office 'Green Channel', which is a dedicated pathway for patent prosecution in green technologies. Some of the projects we have worked with for university clients include carbon capture processes for data centres, biodegradable labels</p>

	<p>for biopolymers to increase recycling rates, and direct carbon capture technologies. Although to date we have not encountered it, any university technologies which fall within controversial areas of application would of course be subject to the same scrutiny as for any other client.</p> <p>We work with a client in the fossil fuels industry. Our revenue from this client was 0.98% in FY22-23; we expect this to be significantly lower in FY23-24, and to be 0, or very close to 0 in FY24-25.</p> <p>Finally, we work with a client in the genetically modified organism's industry. We are aware that this industry has the potential for harm, as well as for good, and any client active in this industry is subject to close scrutiny. Revenue from this industry represented 2.27% in FY22-23.</p> <p>We apply our ethical client selection policy rigorously, and as an example, recently turned down lucrative work from a UK-based gambling operator where it was felt that they did not meet our ethical policy client selection criteria.</p>