B Corp Certification: What Is It and Why Do It?

Presented by:
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Director of Product Development
W.S. Badger Company, Certified B Corporation
Badger: Healing Products - Healthy Business
Badger: Our Environment
Badger: Our Community
The Next Step: Great Company – Certified Great Company
The evolution of capitalism

20th Century
Shareholder Corporation
Maximizes Shareholder Value

21st Century
Stakeholder Corporation
Creates Social AND Shareholder Value

60 Million Conscious Consumers
$2.7 Trillion Socially Responsible Investors
100,000+ Social Entrepreneurs & Sustainable Businesses
It’s no longer just about good products
It’s about building a new sector of the economy

The community of B Corps is building a global movement that will create a more inclusive and sustainable economy.

650 B Corporations
60 Industries
20 Countries
1 Unifying Goal
What is a B Corporation?

Certified B Corporations use the power of business to solve social and environmental problems.

- B Corp is like fair trade certification but for the whole company, not just a bag of coffee.

- B Corps meet higher standards of social and environmental performance, accountability, and transparency.
Who are the B Corps?

650 B Corporations  60 Industries  20 Countries  1 Unifying Goal
How does a company become certified?

**Step 1: Meet Performance Requirement**

Complete the B Impact Assessment and earn a reviewed minimum score of 80 out of 200 points.

**Step 2: Meet Legal Requirement**

Determine the path for your corporate structure and state of incorporation.

**Step 3: Make it Official**

Sign the Declaration of Interdependence.

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**Declaration of Interdependence**

We envision a new sector of the economy which harnesses the power of private enterprise to create public benefit. This sector is comprised of a new kind of corporation, the B Corporation, which is purpose-driven, and creates benefit for all stakeholders, not just shareholders.

As members of this emerging sector and as entrepreneurs and investors in B Corporations, we hold these truths to be self-evident:

That we must be the change we seek in the world.

That all business ought to be conducted as if people and place mattered.

That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.

To do so, requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.
**B Corps meet high standards of transparency**

B Corps make their scores transparent on www.bcorporation.net.

**W.S. Badger Co, Inc.**

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**Company Highlights**

**Accountability:** Employees and local community have Board representation; Share financial information with all employees

**Employees:** Living wage paid to all employees; 100% employees participate in bonus plan; Offers 6+ weeks paid maternity leave; Covers >70% healthcare coverage for employees and their families

**Community:** 86% Significant Suppliers have a third party social/environmental certification; Banks with a local bank; >40 management and board are women/minorities; Provides paid time off for community service and for EMT responders; Donates >10% profits to charity

**Consumers:** 100% products contain at least 75% organic ingredients - and the majority are 100%!

**Environment:** Conserves energy through efficient equipment, lighting, and HVAC systems; >25% Suppliers use renewable energy and/or water conservation systems; Increased % of recycled and recyclable materials in packaging last year

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**B Impact Report**

<table>
<thead>
<tr>
<th>Summary</th>
<th>Certified: February 2011</th>
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<tbody>
<tr>
<td></td>
<td>Points Earned</td>
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<tr>
<td>Governance</td>
<td>8.3</td>
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<tr>
<td>Workers</td>
<td>30.8</td>
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<tr>
<td>Community</td>
<td>21.9</td>
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<tr>
<td>Environment</td>
<td>22.5</td>
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<tr>
<td><strong>Overall B Score</strong></td>
<td><strong>98.5</strong></td>
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>80 out of 200 is eligible for certification  
>60% points available = Area of excellence
## What is measured?

<table>
<thead>
<tr>
<th>Governance</th>
<th>Environment</th>
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<tbody>
<tr>
<td>Accountability</td>
<td>Energy Use</td>
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<td>Transparency</td>
<td>Facilities</td>
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<td>Supply Chain</td>
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<td>Workers</td>
<td>Manufacturing</td>
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<td>Job Growth</td>
<td>+ Social Enterprise Business Models</td>
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<td>Compensation &amp; Benefits</td>
<td>Beneficial Products/Services</td>
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<td>Work Environment</td>
<td>Targeting Underserved Communities</td>
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<td>Employee Ownership</td>
<td>Beneficial Supply Chain</td>
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<td>Community</td>
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<td>Local</td>
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<td>Diversity</td>
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<td>Charity/Volunteerism</td>
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Things to know about the B Impact Assessment

The B Impact Assessment is:

Comprehensive
Evaluates impact in terms of accountability, employees, consumers, community and environment

Adaptable
Metrics tailored to industry and company size

Transparent
Criteria and weightings made transparent

Dynamic
New survey created every 2 years incorporating community feedback

Independent
Developed by third-party Standards Advisory Council
Who certifies B Corps?

B Lab serves the world’s leading entrepreneurs that use business to solve social and environmental problems through three separate but interrelated initiatives:
Questions?

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