

2019 Annual Impact Report

Welcome to our 2019 Impact Report! As a Certified B Corp, Heather Paulsen Consulting (HPC) remains dedicated to working with purpose-driven businesses to create an economy (and a world) that works better for everyone: owners, employees, suppliers, customers, our communities and the environment. We believe that business can and should be a force for good, and that the most successful businesses are good for all of their stakeholders, not just shareholders. The majority of our work in 2019 was centered around the B Corp certification framework, which enables companies to complete a deep-dive business analysis and find new ways to stand up for a socially and environmentally responsible approach to business.

Working with purpose-driven clients and colleagues, I am encouraged by our collective determination to generate improved social and environmental impacts. To document these impacts, I am happy to present the HPC 2019 Impact Report.



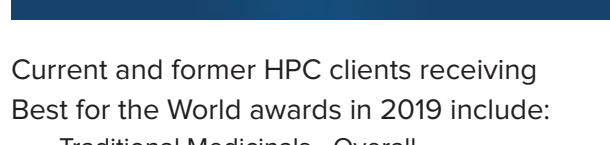
GROWING THE B CORP MOVEMENT



HPC uses the B Corp Certification process to help businesses redefine success and to measure performance based on financial, social, and environmental metrics. By meeting the rigorous standards of B Corp Certification, HPC clients hardwire their purpose and values into every part of their company.

Key Performance Indicators

Client success = our success!
Several HPC clients earned B Lab's Best for the World Awards.



- Current and former HPC clients receiving Best for the World awards in 2019 include:
- Traditional Medicinals - Overall
 - Harvest Market - Changemaker
 - Thanksgiving Coffee Company - Changemaker
 - North Coast Brewing Company - Environment
 - Clear Blue Commercial – Overall, Governance

B Lab annually recognizes as "Best for the World" the Certified B Corps that score in the top 10% of all B Corps worldwide in the Environment, Community, Governance, Workers, Customers, and Overall impact areas, as well as honoring Changemakers, whose improvement scores rank in the top 20% of global B Corps. These awards celebrate the high performance of the individual companies and serve to inspire others to keep raising the bar.

In collaboration with "Dream Team" partners Erica Harrold Consulting, NoeDesigns, and Jendi Coursey Communications, **HPC completed the Large Company Best Practices Guide to B Corp Certification.** This guide helps large organizations navigate the challenges involved with verifying that they meet the highest standards for social and environmental stewardship and sustainability.



B Corp Consulting

Certifications

HPC supported several companies along their B Corp certification journeys, including Solestrac, The Fruit Guys, Tierra Farm and Precision General Commercial Contractors, Avocado Green Mattress and Modus Persona. From manufacturers of electric tractors and mattresses, to purveyors of organic food, to construction, the B Impact Assessment adjusts to measure the operations and impacts of specific industries. It has proven to be an effective tool for continuous improvement no matter your industry.



Employee Engagement Initiatives

HPC conducted employee satisfaction surveys with Clover Sonoma and Harvest Market, and helped shape the results into action plans to enhance employee engagement and satisfaction.



Annual Impact Reporting

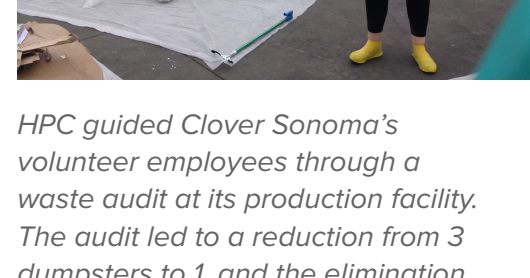
HPC helped Harvest Market and North Coast Brewing Co. complete their annual impact reports, streamlining data collection and analysis, and developing compelling narratives about each organization's good-for-the-world work using the B Corp framework.

Heather Paulsen was a featured speaker promoting the B Corp movement at several events, including keynoting the annual Pet Sustainability Coalition annual "Impact Unleashed" conference, Bioneers, and the Sustainable Nation podcast.

As HPC's work evolves, so does our client list. As of the end of 2019, HPC was working with two multinational companies interested in potential certification. In a cynical world, it is heartening to find large multinationals dedicated to making a better world for all of us. The ripple effects of their social and environmental impacts are huge.

ENVIRONMENTAL IMPACT

In addition to B Corp Certification, HPC uses other means to help clients to improve their environmental impact, including Zero Waste Certification.



HPC guided Clover Sonoma's volunteer employees through a waste audit at its production facility. The audit led to a reduction from 3 dumpsters to 1, and the elimination of 1 day of trash pick up per week.

Key Performance Indicators

HPC worked with Traditional Medicinals and Harvest Market on Zero Waste initiatives to help them redirect waste away from landfills through improved efficiency and resource usage. Don't let the glamorous "Zero Waste" title fool you – we get our hands dirty! Among other things, we join our clients in dumpster diving to figure out exactly how every bit of waste might be redirected, reduced, or reused.



HPC continued 1% for the Planet membership, donating at least one percent of HPC revenues to environmental organizations like the Noyo Center for Marine Science, Climate Ride, The Wild Animal Sanctuary and the Pet Sustainability Coalition. We also donated to several non-environmental nonprofits, such as the Cancer Resource Centers of Mendocino County and our local public radio station.

- HPC Maintained 100% post-consumer recycled office paper, or tree-free paper, in our office.
- We host HPC's website with a B Corp Certified, wind-powered web host, Canvas Host.
- We continued dedicating significant time as a Board member to Solestrac, maker of climate-smart electric tractors, because we believe in Solestrac's mission to lead the transition to zero emission regenerative agriculture.



Solestrac's 40HP-equivalent eUtility electric tractor during a demonstration at a northern California vineyard with Solestrac CEO Steve Heckeroth.

STRATEGIC PLANNING

From time to time, HPC assists local charities and other non-profits by facilitating strategic planning efforts and other project management endeavors.

Key Performance Indicators

HPC assisted the following clients with strategic and/or business planning:

- Mendocino Woodlands
- Mendocino Coast Healthcare Foundation
- Healthy Mendocino
- Flockworks
- City of Fort Bragg, CA
- West Business Development Center



HPC CONTINUOUS IMPROVEMENT

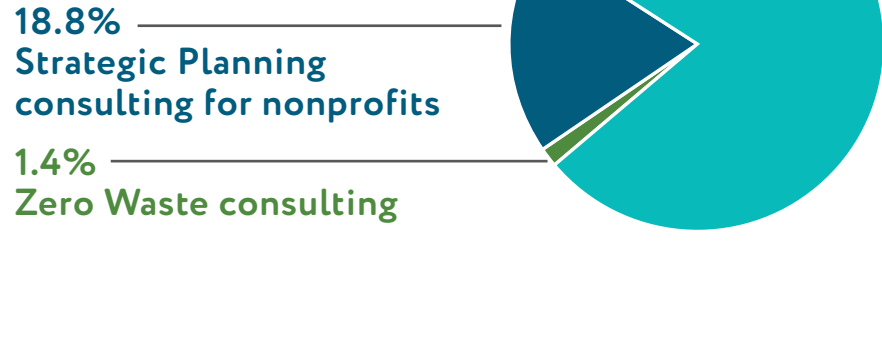
HPC is committed to continually improving, learning and growing.

We hired a bookkeeper and we're just thrilled about it.

We converted from our sole proprietor structure to become a California benefit corporation.

We celebrated our 5th anniversary as a B Corp consulting firm!

To ensure that we are on track with our mission, we analyze our annual revenues to see where we are spending our time and effort. 2019 yielded the following results:



HPC AT THE CHAMPIONS RETREAT



Dream Team members Erica Harrold, Heather Paulsen, Jendi Coursey and Michelle Noe sign the pledge at the 2019 Champions Retreat in Los Angeles.

As part of the Dream Team, HPC rocked the 2019 Champions Retreat, encouraging fellow B Corps to engage the Dream Team by sporting shirts designed by NoeDesigns and handing out business cards featuring WHEREISMYDREAMTEAM.COM. We signed the pledge to grow the B Economy by sharing best practices, ensuring our purchases align with our values, considering B Corps first in purchasing decisions, and promoting B Corps to employees and our business networks.

We facilitated a roundtable discussion about the Large Company Best Practices Guide to B Corp Certification, reaching several large companies interested in B Corp certification and encouraging them on their way.

As 2019 came to a close, we were delighted to reflect on the year's significant uptick in B Corp interest and brand recognition. Consumers seem to be driving this trend with their growing demand to know that they are buying good products from good companies. B Corp Certification is the best way we've found for earning third-party verification of that goodness while at the same time inspiring – and providing a pathway for – continuous improvement. At HPC, we remain dedicated to supporting these good companies in stepping into their highest calling.