

2021 Annual Impact Report

HEATHER
PAULSEN
CONSULTING

LETTER FROM THE CEO

As I take time to pause and reflect on another year, I am filled with inspiration and gratitude. It's pretty amazing that even as all manner of tumult increases globally, companies and the individuals within them remain dedicated to being better for each other, for the environment, and for their communities.

I am inspired by all the organizations pursuing B Corp certification—rejecting the extractive, winner-take-all standard and instead committing to making business a force for good.

I'm grateful for my colleagues and collaborators who continue to believe in our collective power to make positive change, and I am especially grateful for the wonderful employees at B Lab who have worked tirelessly to uphold rigorous standards and provide clear guidance as B Lab adapts and expands to make way for larger and more complex companies within the B Corp movement. Without their dedication, kindness, and integrity, HPC would not exist in its current form.

In 2021, the demand for B Corp certification grew exponentially, with businesses across all sectors striving to meet consumer demand for good products from good companies. B Corp certification is one of the best ways to demonstrate that goodness.

With more companies ready to commit to these important social and environmental standards, the demand for B Corp consultants has grown. Although this attracts more competitors into my line of work, it doesn't feel threatening because this community of consultants demonstrates a culture of openness, trust, and sharing—and there is plenty of work for everyone. I have certainly benefited from this community's generosity of spirit, and I strive to pay it forward every time I can.

Happily, I had many opportunities to pay it forward in 2021. As my own business thrived, I shared the abundance with those around me, and I saw firsthand why the words "generosity" and "generate" share the same root: being generous with one's time generates even more abundance—of spirit, impact, personal growth, and good karma. I enjoyed sharing, teaching, learning, and doing my part to foster a dynamic, synergistic, and regenerative consulting and business community.

The richness of this work and the layered impact it has on the world makes me eager to go to work each day, and I am thankful to all who are part of this journey.

- Heather Paulsen, Founder & CEO of HPConsulting (HPC)



DEMAND FOR B CORPS GROWS

B Lab, the independent non-profit that awards B Corp Certifications, continues to expand and adapt to include larger and more complex business models, providing a foundation for unprecedented growth of the B Corp movement. In 2021, HPC supported the B Corp certification efforts of a broad range of companies reflecting the growing breadth and depth of the B Corp movement: from small, early-stage and fast-growth companies to well-established national and multinational brands; from privately-held family-owned businesses to publicly-traded companies; from bootstrapped to crowdfunded to private equity firms committing to certification of their entire portfolio.

One especially memorable engagement included supporting B Corp Solectrac through its acquisition by the publicly-traded company Ideanomics, Inc., securing agreement from its new parent company to maintain Solectrac's commitment to B Corp certification and its status as a California benefit corporation. Although Ideanomics initially expressed concern about whether Solectrac's B Corp status might be a potential liability as Ideanomics sought investors, it has since discovered that the B Corp certification is a boon to a company's value proposition.

These trends demonstrate how seeking certification has moved from the fringe to the mainstream, portending even more widespread adoption in the years to come.

EXPANDING THE VISION

As the community of B Corp consultants, contractors, and freelancers grows, we are finding ways to lean in for mutual benefit and enjoyment.



One of HPC's strongest partnerships is with the Pacific Northwest-based firm Measure Meant. By referring clients to one another and collaborating on projects, HPC has expanded its client base while providing business opportunities and other support to Measure Meant as it grows. By working together, our complementary skills and strengths have allowed us to provide richer services and reach more clients than we could have on our own.

THE NEXT GENERATION

Another way we are working to expand our impact is by helping to prepare the next generation of business consultants for B Corp consulting and more.

Paying it Forward

In 2021, we teamed up with the University of Arkansas to teach graduate students about best practices for consulting in general, and for B Corp certification in particular. The students then worked with a local chocolate company to put their newly acquired knowledge into practice as they seek to grow their local B Corp community. This work will continue as part of an ongoing program at the university.



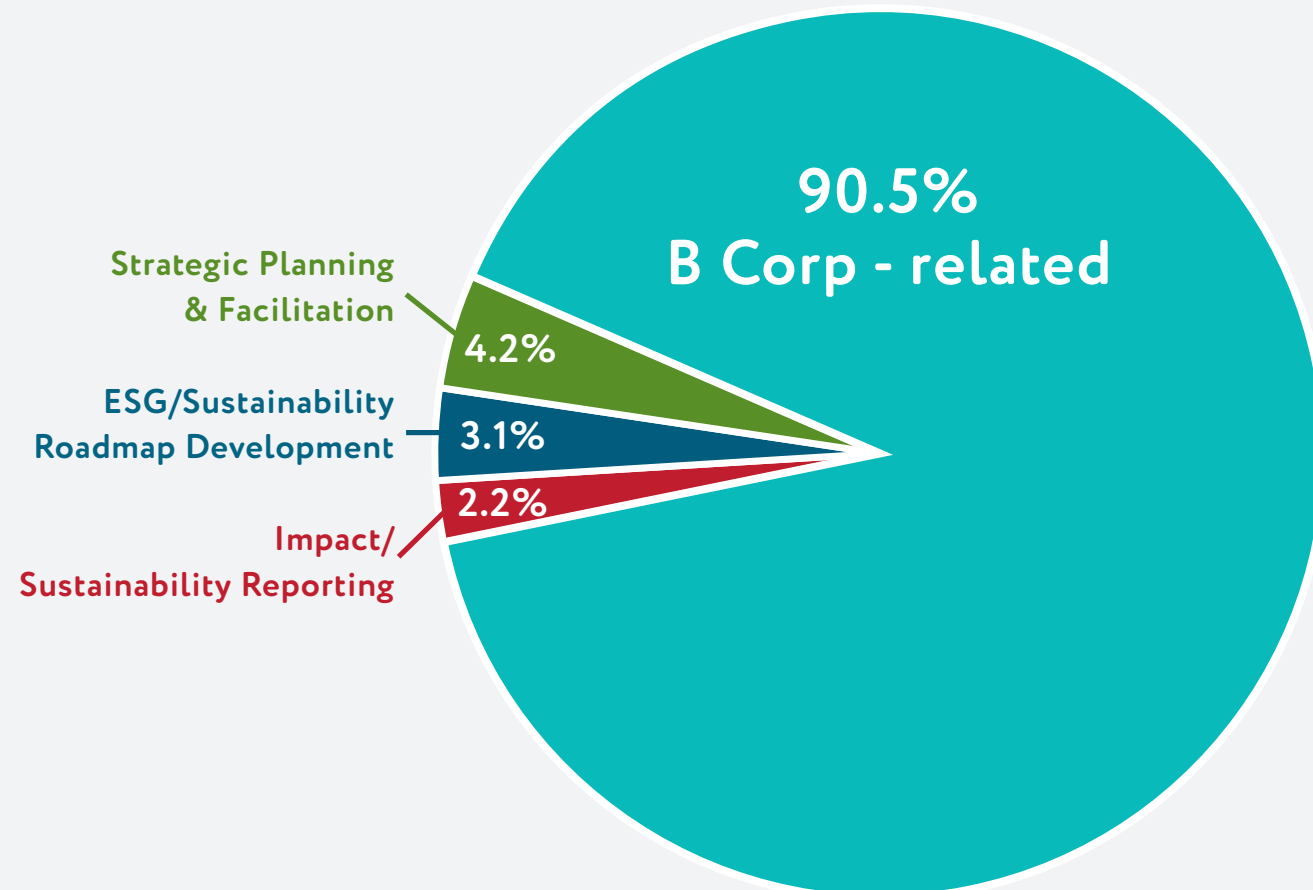
Heather also joined the St. Mary's College MBA Advisory Board to help incorporate the B Corp perspective into their MBA programming.



We also routinely hold calls with aspiring B Corp consultants around the U.S. who are establishing their own practices. We believe that the more B Corp consultants there are out there, the better off we'll all be!

HPC 2021 REVENUES

The majority of HPC's client work centers around B Corp consulting and related sustainability strategy projects.



B CORP CERTIFIED SINCE 2015

HPC continues to practice what it preaches. To maintain our own third-party verification that we walk the talk of social and environmental responsibility – and to fulfill our commitments as a California benefit corporation – we submitted our B Impact Assessment for recertification in 2021 and expect it to finalize some time in 2022.

The long wait time between BIA submission and verification is but one outcome of the greatly increased demand for B Corp certification. Good things come to those who wait!



HPC's Current B Corp Score: 115.0



CUSTOMERS
34.8



ENVIRONMENT
11.9



COMMUNITY
49.6



GOVERNANCE
18.4



CLIENT HIGHLIGHTS

HPC is committed to supporting the best possible business practices for industries big and small. In 2021, we had the pleasure of working with about two dozen companies pursuing B Corp certification. From semiconductors to skin care, clothing to chocolate, companies representing a wide array of industries are choosing the B Corp pathway.

Here we highlight a small handful of our newly certified clients:





HPC guided TCHO through the B Impact Assessment to fully represent their positive business practices. We developed a mechanism for TCHO to track the social and environmental impacts of their sourcing through increased supplier engagement. Locally, we helped TCHO to define environmental policies and practices in their own office and factory. By formalizing and documenting processes that had taken place at TCHO for years, we strengthened their case for B Corp certification.



Bliss has made big strides in evaluating their environmental impact, creating TerraCycle-verified packaging, finding ways to reduce their packaging volume, and actively contributing to their community. Through the first phase of our engagement, Bliss submitted its assessment to B Lab and developed a more informed approach to its corporate social responsibility program.

As the B Corp community has diversified and expanded, its influence now reaches larger industries that play a central role in connecting our global society. The production of semiconductors, for example, is a necessary industry when it comes to modern communication – and we were thrilled to support the first (that we know of!) B Corp certification in this industry.



Can you imagine a world without our phones, computers, and internet? We worked with Brewer Science to see where and how the B Corp ethos could inform best practices in the massive semiconductor industry.

One of the most exciting impacts of certifying with Brewer Science was the ripple effect we saw run through to their Supply Chain and Operations decisions. The business evaluated its many practices during the assessment process, discovered new insights, and made impactful improvements along the way.



Each year, B Lab grants Best For The World awards to the top 5% scores in each of the B Impact Assessment measurement areas. In 2021, our client Clear Blue Commercial was honored with a Best for the World: Governance award.

NURTURING OUR ROOTS

As part of our commitment to the local community and economy, we continue to offer strategic planning consultation to Mendocino County non-profits as well as learning opportunities for local businesses.

Working with Our Local Community

Mendocino Coast Healthcare Foundation

In 2021, HPC supported MCHF in their strategic planning process. HPC hosted board and staff development sessions where we introduced a regenerative, living-systems paradigm that is helping MCHF develop a new vision to support the health of its community. This work will continue in 2022 as part of MCHF's stunning organizational transformation.

Community Foundation of Mendocino County

HPC worked with the Community Foundation to prepare for their 2022 Strategic Planning Retreat. We met with board members and employees to lay the groundwork for productive and collaborative decision-making.

The West Business Development Center

HPC teamed up with West Business Development Center to host a two-part webinar series on B Corp certification. We provided participants with a working understanding of the benefits of certification and information on how to embark on the journey toward becoming B Corp businesses here in Mendocino County.

DEEPENING THE PRACTICE

Regenerative Business

As part of Heather's personal and professional development, she continued working with Carol Sanford and her Change Agent Development Seed Community to deepen her understanding of how to live and work in a manner consistent with a living-systems, regenerative paradigm.

Many of the companies that have benefitted from Carol's regenerative systems work are also B Corp Certified, and helping companies embrace this regenerative approach feels like a natural progression for HPC as we lean into another year of consulting work.

SHARING THE WEALTH

Success is more enjoyable when shared! HPC is committed to donating at least 2% of its revenues each year.

Recipients of our 2021 charitable giving include:

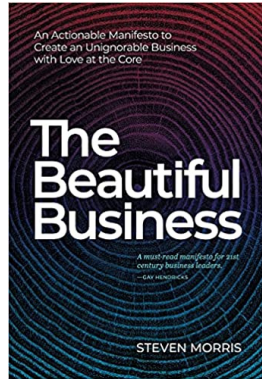


GETTING THE WORD OUT

Contributions to Publications



In 2021, our work was featured in *How the B Corp Movement is Remaking Capitalism*, by Christopher Marquis.



Heather also contributed to the B Corp section of Stephen Morris's new book, *The Beautiful Business - An Actionable Manifesto to Create an Unignorable Business with Love at the Core*.

Speaking Engagements



Heather and fellow B Corp consultant Ryan Honeyman presented to the Naturally Austin business community.



Heather presented to St. Mary's College MBA graduate students for the second year in a row.



Heather served as a panelist at Missouri's Tech & Innovation Virtual Summit.

THANK YOU

To learn more about Heather Paulsen Consulting, please visit us at hpaulsenconsulting.com.