

# How Businesses Are Addressing Climate Change:

Steps Businesses Can Take Today to Have Positive Impact



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# Introduction

Business doesn't have to wait for government to make climate mitigation a priority. In the absence of political action, more public companies are stepping up and leading through their sustainability work and collaborating to enhance its impact. In 2018, with the words "We're still in," a group of more than 2,000 U.S. businesses and investors with a combined annual revenue of \$1.4 trillion sent a powerful message: While President Donald Trump may have withdrawn the U.S. from the Paris climate agreement, these business leaders did not. Many Certified B Corporations, including Patagonia, Ben & Jerry's, Big Path Capital and Taos Ski Valley, put their names on the list.

The list is a commitment, but taking action and changing the way business is done is a much harder achievement. The B Corp community has an opportunity to lead by example and spur action around the globe through innovative programs that mitigate climate threats and help their workers and communities adapt to the changes predicted in the 2018 [U.N. climate report](#).

This free report compiles articles and resources to help your business become a climate leader. Whether you work at a large company or an agency, get inspired to do more today.

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Bodhi Surf + Yoga, a Certified B Corporation, is working to become a carbon-neutral business as part of its climate goals for the Inclusive Economy Challenge. This year Bodhi began [purchasing credits](#) from a Costa Rican wind farm that can be used to offset the carbon emissions from guests' flights. (Photo courtesy Bodhi Surf + Yoga)

## Your Company Can Be a Climate Leader: Here's How Success + Environmental Care Go Hand-in-Hand (-in-Tree)

### Businesses Tackling Climate Change as a Social Justice Issue

The 2018 [U.N. climate report](#) warned of the impending worsening effects of greenhouse gas emissions and a warming planet as soon as 2030: extreme temperatures, increased incidents of heavy precipitation, and more intense or frequent droughts.

“Climate-related risks to health, livelihoods, food security, water supply, human security, and economic growth are projected to increase.” — 2018 U.N. climate report

While everyone on Earth will feel the effects of global warming, if its progress is not slowed and reversed, the report notes some populations will bear a heavier burden. These include “disadvantaged and vulnerable populations, some indigenous peoples, and local communities dependent on agricultural or coastal livelihoods.”

Because the effects of climate change fall most heavily on populations that are already marginalized — including people who are young, elderly, low-income, or who have existing health conditions such as asthma — global warming and carbon emissions aren't just environmental issues, they're social justice issues.

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**“Climate-related risks to health, livelihoods, food security, water supply, human security, and economic growth are projected to increase.”**

— 2018 U.N. climate report

And they also have business implications. The U.N. report notes that avoiding the projected effects of global warming is possible with reduced greenhouse gas emissions through widespread changes in energy, industry, buildings, transportation and cities — that means businesses and their workers and customers have an important role.

Within that business framework, B Lab added five climate-related metrics to the 2018 [Inclusive Economy Challenge](#) (IEC) for companies striving to create more equitable and diverse workplaces that have been carried forward into 2019:

- Greenhouse gas inventory;
- Renewable energy;
- Energy efficiency improvements;
- Greenhouse gas targets and improvements;
- Carbon offsets.



## Where Should B Corps Begin?

The five new climate metrics in the IEC have their roots in a session at the 2017 B Corp Champions Retreat — the annual gathering for the B Corp community — where a few attendees shared their interest in the potential for collective action on climate change. That led to the formation of a Climate Working Group, whose members are Evan Goldsmith of NativeEnergy, Katie Clark of Happy Family Organics, Gretchen Grani of Guayakí, Andrew Nobrega of Pur Project and Kevin Bayuk of LIFT Economy.

Clark, director of sustainability at [Happy Family Organics](#), was introduced to corporate sustainability at her first job out of college at MOM's Organic Market, an East Coast grocery chain that she says “lives their mission to protect and restore the environment in every business decision they make.” There, Clark witnessed how for-profit companies can “move the needle” and be responsible for sustainability and climate change. Pulling from lessons learned during her sustainability work at Happy Family, Clark says organizations must measure where they stand before they move forward.

“The first place to start is to understand where your company’s impacts are, whether that’s through carbon impact assessment or water use, so you can know what strategic actions to take,” she says. “Also think about it from a materiality perspective: What do your consumers think is most important for you to focus on? Understand which different types of topics you can focus on as a company that are important to consumers, employees and your board of directors. Consider the risks in each of those areas and what could lead to innovation.”

As part of the Climate Working Group, Clark hopes to help other businesses begin or enhance their sustainability journey. While five metrics in the IEC aren’t exhaustive, they can be daunting.

*Caption: B Corp Happy Family Organics makes healthy, whole-food options for babies and toddlers and is committed to addressing climate change as part of its business ethos and model. (Photo courtesy Happy Family Organics)*

At Happy Family, she says, the company decided to focus on climate, packaging and sustainable agriculture, then developed programs in each of those areas to make an impact. For example, after calculating the company's full-scope carbon footprint, Happy Family invested in carbon offsets generated from renewable energy projects through NativeEnergy, starting with emissions from Happy Family's direct operations in year one and increasing its investment each year. The company also launched numerous internal programs to reduce the impact of its packaging by increasing post-consumer recycled content and optimizing the size to limit unnecessary excess packaging.

Goldsmith, client strategy director at [NativeEnergy](#), agrees that it's vital to begin by determining your organization's climate footprint and identifying big emissions drivers. "Then figure out what resonates most for your business and take action to address the biggest emission drivers accordingly," he says.



*Caption: By partnering with fellow B Corp NativeEnergy, Bodhi Surf + Yoga offsets the carbon emissions from the guests flying to the company's retreats in Costa Rica. (Photo courtesy Bodhi Surf + Yoga).*

A B Lab partnership with the [Climate Collaborative](#) will double the resources and the recognition for companies working on renewable energy and energy efficiency goals as a part of the Inclusive Economy Challenge. Companies participating in the IEC will now have access to Climate Collaborative's resources.

Through his work at NativeEnergy, Goldsmith helps companies do just that: evaluating their value chain emissions, measuring business travel and other big greenhouse gas generators, and seeing how to address or offset them. This year he worked with [Bodhi Surf + Yoga](#), a Costa Rican B Corp and Inclusive Economy Changemaker that wants to be a leader in the sustainable tourism industry.

"They're a small retreat in Costa Rica, so they don't have a huge environmental impact locally," he says. "But where they do have a big impact is from their guests flying to the retreat. They identified that right away. For their business to be in the sustainability business, they have to account for the greenhouse gas emissions generated from their guests coming to them."

NativeEnergy worked with Bodhi to [identify and partner with a wind farm in Costa Rica](#) that produces clean wind energy and generates credits that can be used to offset the carbon emissions from guests' flights.

"It was a nice circle that connects back to their community," Goldsmith says. "Bodhi went through the full process: measuring, identifying, coming up with a program to address its climate impact, communicating it to their guests and finding the right type of project to support. They went through the whole process in less than a year."



## Measurable Progress in the B Corp Community

As renewable energy opportunities grow around the world, so do potential community partnerships. Local connections created climate opportunities for 2018 Inclusive Economy Changemakers [Ecotone Software Consulting](#) and [Paintbox Catering and Bistro Inc.](#) The Toronto-based B Corps both have signed up with [Bullfrog Power](#) (also a Toronto B Corp) to offset their energy use with renewable energy.

At NativeEnergy, Goldsmith also works with companies that are diving deeper into their climate-mitigation efforts and developing custom emissions-reduction programs.

“These companies are integrating this into their value chain,” he says. “This can happen through trying to create emissions reductions through changes in your sourcing or how a key ingredient is grown. An investment you’re making in your own value chain will not only deliver the desired climate results but can support a project that’s changing an entire agriculture process and benefiting the communities where you’re sourcing from.

“This creates closer ties between your business and the supply communities you rely on, and deeper engagement around a key ingredient that could reduce risk in the future for your company,” he says.

Two 2018 IEC participants are good examples of this deeper investment. [Dr. Bronner’s](#), a 2018 Inclusive Economy Changemaker, this year began monitoring and recording its greenhouse gas emissions by developing a calculator to produce accurate measurements.

The Vista, California-based B Corp, which produces soaps and other organic, fair-trade personal care products, is installing an oil refinery at its headquarters that will allow the company to refine olive and palm oils onsite rather than sending them to a third-party refinery in Holland. When the refinery goes online early next year, the company anticipates large reductions in its carbon emissions from reduced shipping.

In 2018, Dr. Bronner’s also agreed to purchase renewable-energy certificates from a community-supported solar project led by fellow B Corp [OneEnergy Renewables](#). In combination with Dr. Bronner’s on-site solar panels and its partnership with a local utility to draw locally generated renewable electricity from the grid when necessary, the company headquarters now operates with 100 percent renewable electricity.

Its headquarters also boasts 14 recently installed electric vehicle charging systems to reduce the climate impact of worker commutes. Dr. Bronner’s covers all fees associated with the charging and offers a \$1,000 incentive to employees who purchase or lease fully electric cars.

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**An investment you’re making in your own value chain will not only deliver the desired climate results but can support a project that’s changing an entire agriculture process and benefiting the communities where you’re sourcing from.**

—Evan Goldsmith, NativeEnergy

Renewable energy and carbon mitigation strategies, products and programs are at the heart of business at B Corp [3Degrees](#), another IEC participant. This year, its climate goals included tracking of emissions created by others in its supply chain, known as [scope 2 and 3 emissions](#). Scope 2 emissions are indirect emissions from the generation of purchased energy, while scope 3 emissions are the indirect emissions not included in scope 2 that are produced by others in the 3Degrees supply chain.

3Degrees reported these emissions for 2017 to [The Climate Registry](#) for its verification process and pursued an assessment of setting a science-based target assessment. Once it has that assessment, it will decide on next steps to reduce emissions.

## What's Ahead for Businesses Responding to Climate Change?

As the U.N. climate report notes, the deepening effects of climate change aren't far off in the future—they're barely more than a decade away, which makes the B Corp community's work urgent.

Goldsmith and Clark say the Climate Working Group is thinking bigger for future opportunities while also focusing on purposeful participation. Because the B Corp community comprises small to large businesses at different paths on the sustainability journey, the Climate Working Group faced some related challenges, Clark says.

"I didn't anticipate that there would be such a range in interest in terms of what B Corp companies would consider a collective climate action that they could take on for their company that would make sense for them," she says.



*Caption: Dr. Bronner's onsite solar installation is part of its strategy to operate with 100 percent renewable electricity. (Photo courtesy Dr. Bronner's)*

"We found it a challenge to reconcile the original idea with the diversity of B Corps and how we could create something that would be relevant for as many as possible."

Goldsmith envisions a project that would support the B Corp movement, provide exposure for participating organizations and encourage more companies to participate at a meaningful level.

"There's a great opportunity for the B Corp community of companies to drive a climate-focused project that has measurable and tangible impacts that they can claim causality for," Goldsmith says. "The big challenge is balancing that against the desire and need of companies to want to invest in actions that will be solely beneficial to their company—and globally in terms of climate change mitigation."

What that group push might be has yet to take shape—as with most work toward meaningful change—but through the IEC, B Corps will continue their multiyear progress toward a more equitable and diverse economy that works for the good of all people and our planet.





(Photo by [Ameen Fahmy](#) on [Unsplash](#))

# Climate Change: Enough of the ‘Why?’ Time for the ‘Now’

## Solutions Won’t Be Easy to Find, But Collaboration and Innovation Offer New Opportunities—and B Corps Can Help

By Rehana Nathoo

It’s been a [busy month for the environment](#). Actually, it’s been a busy 50 years, but when the conversation around the health of the planet recedes into the background, we get shockingly destructive reminders. In recent months alone, Hurricanes Michael and Florence and the earthquake in Indonesia have all made the same point: The time to act is (and has been) now.

These reminders have disproportionately affected those who are least able to withstand it. We still hear about broad devastation—and neglect—of many parts of Puerto Rico after Hurricane Maria. And the earthquake in Indonesia is just the latest in a long line of extreme weather events that continue the tradition of impacting the poor and vulnerable.

So how do we move the conversation from “Why” and “Who caused it” to “What do we do about it”? Thankfully, the hard work is underway. A range of social entrepreneurs are already tackling these problems.

We have a unique opportunity to focus on raising awareness around their work, at a time when the discourse is focused on increasingly unimportant questions like “Whose fault is this?”

### The Facts

While there is still disagreement on the causes of severe climate deterioration—as frustrating as that conversation continues to be to some—there is well-documented and verified data around the changes our planet has endured.

To start, the planet’s average surface temperature has [risen about 1.62 degrees Fahrenheit \(0.9 degrees Celsius\)](#) since the 19th century. Thanks to the progressive sophistication of industry, how we make the things we frequently consume, and the extended quality and duration of our own lives, that change has primarily been driven by carbon dioxide increases (alongside other human-made emissions).

Our oceans have borne the brunt of this impact, with the top 2,300 feet (700 meters) of ocean showing a [warming of 0.3 degrees Fahrenheit](#) since the late '60s.

Whether you believe that humans caused it, didn't cause it or are the butt of some cosmic practical joke, the [American Meteorological Society](#) boils it down to the following overarching narrative:

- Our climate is changing.
- Humans are playing a role in causing that change.
- Human-caused climate change poses risks that we are not prepared to address.
- We have numerous options to manage those risks.

Fortunately, we've already started thinking about how to combat these adverse impacts. Solutions to managing those risks fall into four broad categories:

- Mitigation by reducing greenhouse gas emissions.
- Adaptation by increasing our capacity to cope with climate impacts.
- Geoengineering/climate engineering by counteracting those impacts through manipulation of our earth system.
- Expanding our knowledge base and worldwide education through better understanding climate change's implications and our options.

These strategies are not mutually exclusive. In order to be successful, we will likely need a range of solutions that champion mitigation, adaptation and innovation.

## Urgency in Our Own Backyard

Despite common misconception, the infrastructure financing gap doesn't only exist in emerging markets, though infrastructure shortages disproportionately affect those in developing economies. The Infrastructure Report Card, published by the American Society of Civil Engineers every four years, [awarded U.S. infrastructure a D+ in 2017](#).

Officials in South Carolina, which was directly impacted by the devastation of Hurricane Florence in September, will have to think about how to rebuild a range of physical infrastructure in the coming months and years. And despite the infrastructure that has been threatened with recent natural disasters, existing needs already were growing. Across the state, driving on roads in need of repair costs drivers \$502 a year, and over [10 percent of South Carolina's bridges](#) were recently rated as structurally deficient. Desperately needed drinking water-related infrastructure in the state will cost an estimated [\\$1.8 billion](#), and [178 existing dams](#) are currently considered "high hazard potential." Beyond traditional infrastructure, the state's institutions need help too. South Carolina's schools have an estimated capital expenditure gap of [\\$90 million](#). And that was before Florence.

Our needs have steadily been increasing without a rise in the frequency and scale of natural disaster. How we rebuild – and with what capital – should be an essential part of the current conversation.



## Time to Acknowledge the Trailblazers

Impact investors and sustainability advocates have been searching for multilevel solutions for some time, thanks to a deeply felt sense of urgency. For some reticent investors, the discussion around investing in climate only becomes comfortable as a market-opportunity (rather than an impact strategy). It's no wonder why: Those investment gains [have been – and continue to be – sizable](#). And in a time of increasing market volatility, investing in climate across some asset classes can offer an alternative to lower yields and inflation protection.

But moving capital – and getting investors excited about investing in climate – is only one part of the challenge. Many investors respond to this clarion call by asking “Well, who do I invest in?” It's a fair question, but it hints at innovation stagnancy, which is simply out of touch with the numerous companies that are developing scalable, high-yield climate solutions.

We don't have to look much further than the Certified B Corporation community to find a range of catalytic companies and innovative thinkers on the case. The next time you meet someone who laments about how hard it is to invest in climate, share a few of the following examples.

## Conservation

[BioCarbon Partners](#), a newly certified B Corp (and a [Best For the World winner in 2018](#)) focuses specifically on the deforestation threats in Zambia. It sells carbon offsets generated from its local projects and channels those returns into preserving forests. Working directly with local communities, BioCarbon also offers opportunities for local income generation while creating a market for entrepreneurship.

## Waste Management

[Valley City Electronic Recycling](#) is a Michigan-based recycling provider with clients across the Midwest. With a commitment to a “zero landfill policy,” the e-waste provider focuses on disassembly rather than shredding. This shift allows the recycler to repurpose reusable base materials and creates local jobs in the process.

## Renewable Energy

[Illumexico](#) was founded in 2009 to address a specific problem: a disproportionate lack of access to electricity in rural Mexican communities. By providing access to clean and safe energy, Illumexico has designed a new framework for community intervention and access. Its approach includes educating households on energy use and consumption, providing energy access to schools and hospitals (often neglected by small scale suppliers), and promoting clean and safe energy access. Illumexico combines two critical ingredients of sustainable energy use and consumption: education and access.

## Carbon Capture and Credits

[GreenCollar](#) is the largest provider in Australia of carbon abatement – the practice of reducing the amount of carbon dioxide produced through “dirty” energy. To date, it has implemented over 100 carbon farming projects throughout the country, supplying over 62 million tonnes of abatement. The investment in the environment across renewable energy, carbon, water quality and biodiversity seeks to protect some of Australia's most vulnerable natural landscapes, while helping to create additional income streams for farmers and graziers in an environmentally sustainable way.



(Photo by [Jason Blackeye](#) on [Unsplash](#))

# How Businesses Can Move the Needle on Climate Change

## Gauge Your Company's Carbon Footprint—Then Make a Plan to Reduce It

By Wayne Wachell

First, the dark stuff.

We are at a point in history where climate change is no longer a looming threat but a reality that's very much upon us. Carbon dioxide levels are the highest point in 3 million years, according to the [Global Atmosphere Watch](#) program. All the while, the number of people on the planet is growing at an exponential rate. Worldwide population is 7.6 billion, and the United Nations estimates it will increase to [11.2 billion by 2100](#).

The situation seems dire, and it is. But when talking about climate change, it's easy to get bogged down by the magnitude of the problem, so it's important to lead with hope. The good news is, as B Corps, we're solution seekers by nature. There are actions we can take as business owners to slow the rate of climate change, and with Earth Day celebrated earlier this week, they're top of mind.

A good place to start: Take a look at your carbon footprint. We collectively need to do better if we're to reduce carbon emissions for the greater good of the planet. Investors are increasingly (and rightly) asking for information on the emissions of companies they are investing in, and we need to respond to this need.

One method of measuring CO2 output by businesses has been developed by an organization called [Greenhouse Gas Protocol](#). This methodology acknowledges the emissions a company can actually control (such as fossil fuels used in operations, manufacturing, and heating), and the emissions a company can influence (such as those from employee commutes and third-party distribution). If more business owners were to use this methodology, they'd have a greater understanding of their business's impact.



Once you have a gauge on the CO2 output from your business, you can look at tangible ways to reduce it, like putting an automatic timer on the lights, installing shades to help regulate the temperature without electricity, or using Skype or Zoom for remote meetings to reduce unnecessary travel.

If transport is essential to your business, consider purchasing a company electric car. In-person meetings are hugely valuable from a relationship-building perspective; that's why at [Genus](#) we've recently adopted a new company mascot in the form of a Chevy Bolt. The Bolt has a [regenerative braking function](#), which means the driver can recoup energy during deceleration. I typically gain 5 km worth of energy during a regular journey by using the downhill momentum.

If your company has investments, consider using them for impact by supporting clean energy companies over fossil fuel companies. History shows us divestments happen in three waves, and the same is true for fossil fuel divestment. Already [churches](#), [universities](#), cities (like [New York](#)) and financial institutions (like [Norges Bank](#)) are announcing divestments, and we expect to see more in the coming months. While there is a moral reason for doing this, there is also a strong business case. As the world transitions to a low-carbon economy, there's a huge risk of stranded assets—fossil fuels losing their value while still in the ground.

It is also worth evaluating the carbon emissions your company can save. Do you have a “smart” commute scheme to encourage carpooling or the use of public transit? Do you offer a financial incentive to employees who purchase commuter bikes or a stipend for bike maintenance for regular bike commuters?

*Caption: Consider a “smart” commute scheme that encourages employees to use public transit.  
(Photo by [JC Gellidon](#) on [Unsplash](#))*

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**If your company has investments, consider using them for impact by supporting clean energy companies over fossil fuel companies.**

Education also plays a key role in influencing change, and your employees have a lot to teach you. Invite them to share their ideas for how to reduce your carbon footprint collectively. Maybe that involves improving home insulation, eating less meat, or opting for local fruit and vegetables with fewer food miles. A single employee or a group might emerge as your in-house environmental champions.

While climate change is a daunting subject, we believe it's too important not to broach. At an international level, the [Paris Agreement](#) set a global action plan to avoid unpredictable climate change by limiting global warming to below 2 degrees C. While progress is being made to turn these goals into actions, we too as business owners have a valuable role to play—not only by reducing our own emissions, but in influencing others to make meaningful changes, too.





(Photo by [Samuel Zeller](#) on [Unsplash](#))

# Vote With Your Bank

## Find Out Whether Your Bank Cares About the Environment

By the team at B the Change

Most people have a basic understanding of how checking and savings accounts work. Individuals deposit their funds into an account, and when they wish to withdraw those funds, they're readily available. What many people don't realize, however, is that those dollars and cents aren't kept locked in a vault; they're constantly on the move, being used to make loans to and investments in businesses and other clients to the tune of an estimated a total of [\\$9.5 trillion annually](#) in the United States. This begs the question: What if your bank is loaning money to businesses or organizations that have practices that do not align with your values?

We have the power to vote with our investment dollars by banking with purpose-driven financial institutions. Certified B Corporation banks like [Amalgamated Bank](#) and [Beneficial State Bank](#) are becoming a more widely available option.

"We're always reminding people that banks aren't just keeping their money locked away in a vault," says Amalgamated Bank President and CEO Keith Mestrich. "The dollars being deposited are constantly on the move, making it difficult to know what exactly what your money is funding. When you bank with Amalgamated, you can rest assured that your money is going toward the socially responsible causes you care about."

## Values-Based Banking

Amalgamated Bank was founded in 1923 with a clear objective in mind: to bring banking access, which was once reserved for corporations and wealthy individuals, to hardworking men, women and their families. Since then, Amalgamated has continued to build social responsibility into its business model, amassing nearly \$5 billion in assets and growing to serve customers and clients sharing its purpose-driven mission.

Following a merger late last year with New Resource Bank, based in San Francisco, Amalgamated expanded its geographical reach beyond branches in New York and Washington, D.C., to California as it endeavors to [build its nationwide presence](#) and become "America's socially responsible bank." The bank now has strong footholds in four "changemaker" communities — New York City, San Francisco, Washington, D.C., and Boulder, Colorado — and has plans to expand to other locations across the country.

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—Keith Mestrich, Amalgamated Bank



Thanks to the merger, the B Corp bank will boost its impact investing with socially responsible companies: Amalgamated plans to [double assets in four core areas](#) – environmental protection, health and wellness, education and community empowerment and sustainable commerce – from \$350 million to \$700 million by 2020.

That means more lending for programs that provide clean energy and improved air and water quality; companies that market organic foods and sustainable fashions; nonprofits that advance education and community empowerment; and other businesses like B Corps that prioritize sustainability in their strategic plans and operations.

## Banking for the Environment

Reflecting its 100 percent commitment to renewable energy and net-zero carbon operations, Amalgamated serves sustainable organizations such as Sierra Club and Friends of the Earth; philanthropic and social justice organizations like Biden Foundation and Nathan Cummings Foundation; and other groups including the American Federation of Teachers and American Federation of State, County, Municipal Employees.

To reinforce its environmental focus, Amalgamated this fall committed to measure its financed emissions – the greenhouse gas emissions of companies or organizations within its funds – ultimately to align them with the goals of the Paris Climate Agreement. To do this it is leading a group of North American lending institutions to develop an open and transparent accounting system for measuring the climate impact of their lending, similar to a program developed by European banks in the [Global Alliance for Banking on Values](#), of which Amalgamated is a member.

Leading by example as a B Corp that values sustainable business practices and lending by example to organizations with social impact, Amalgamated votes through forward-thinking financing that aspires to increase the greater good.

At Beneficial State Bank, As co-founder and co-CEO Kat Taylor says, “We are working to create a capitalist economy that lives within ecological limits and shares prosperity with all.” For Taylor, banking is the original and most powerful form of crowdfunding. She founded the bank in 2007 with her husband, Tom Steyer, and her co-CEO is Dan Skaff.

The charitable Beneficial State Foundation was established to receive 100 percent of any profits distributed by the bank. After the bank gets through its early growth stages, all profits will be invested to improve communities and the environment, as required by the foundation’s bylaws. The bank is committed to investing its capital to improve the environment and communities in which it operates, and refuses to lend money to companies in the petroleum or coal industries.

Beneficial State has also been seeking values-aligned acquisitions, such as its purchase of Pan American Bank. Since the acquisition, Beneficial State has been able to market subsidized down payments and loans for working-class families to get access to lower-cost hybrid and electric vehicles.



## Agencies of Change: Theory Into Practice

With Tools and Frameworks for Aligning Purpose and Profit at Their Disposal, How Do Agencies Actually Create Change? And What Can We Do to Support Them?

By Tim Frick

To prepare for this post, I reached out to dozens of agency owners through Slack groups, social media platforms, email and closed social networks like the B Hive, B Lab's platform created for Certified B Corporations. In these queries, I requested participation in a short survey about agency impact measurement practices. Fourteen agencies responded, so this is by no means a comprehensive report. However, some valuable insights can be gleaned from their answers, which are reflected in the stats and stories below.

### How Agencies Create Change

Unsurprisingly, agencies get creative when it comes to incorporating philanthropy and changemaking efforts into their work.

Many agencies reported giving in-kind donations of websites, videos, branding and other creative services to cash-strapped nonprofits. Some give a percentage of every project fee back to community-based nonprofits while several mentioned being [1% for the Planet](#) members. Other agencies create free tools and resources to help different causes. Several digital agencies mentioned the importance of creating accessible websites to help people with disabilities while others touted the value of strategic partnerships.

The majority of respondents said they use impact measurement tools for continuous improvement, while many also noted that they actively search out mission-aligned clients, baking purpose directly into their business model and ability to create profit.

## Advice for Companies

### Shifting Toward Purpose

If you're thinking about starting an agency or looking to put positive social and environmental impact at the heart of your existing company (regardless of whether you're an agency), the practices below, culled from survey responses, can help you get started.

### Think Big, Start Small

Transforming your company doesn't happen overnight. It's an ongoing process that requires intentionality in all your business practices. This can seem overwhelming, but it doesn't have to be. Many agencies mentioned doing pro bono projects as part of their purpose-driven work. Properly managed, a small pro bono project could be a great way to jump-start changemaking efforts at your company.

"Like writing your book or getting on that treadmill for the first time, there might never seem to be a good time to commit to a pro bono project," says Andrew Boardman of [Manoverboard](#). "However, to support your community and build an impact-focused team, a pro bono engagement is disproportionately beneficial. And like all projects, do it within your own resource constraints."

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Pro bono programs from agencies surveyed include:

- [Prosper Strategies](#) offers an annual [Changemaker Marketing Grant](#) with scholarships to its Nonprofit Marketing Mastermind program.
- Manoverboard's annual [Purpose Project](#) provides up to \$15,000 in pro bono design services to a worthy nonprofit or social enterprise.
- The name of [LimeRed](#)'s pro bono program says it all: [LimeRed's Super Awesome Website Giveaway for Asskicking Changemakers 2019. Yeah!](#)
- [ThinkShout](#) in Portland, Oregon, runs an [annual campaign](#) that provides valuable intern experience plus the chance to work with a local nonprofit.

Several other partnership-related pro bono programs are mentioned in that section below.

### Know Your Purpose

What do you stand for? Who does your company serve? How do you communicate your message to drive mission, culture, operations and so on? These things are critical to the long-term success of any company, but they're especially important if you're a mission-driven company. With this in mind, Chicago's LimeRed created the book [Branding for Changemakers](#) to help social enterprises better communicate their purpose.



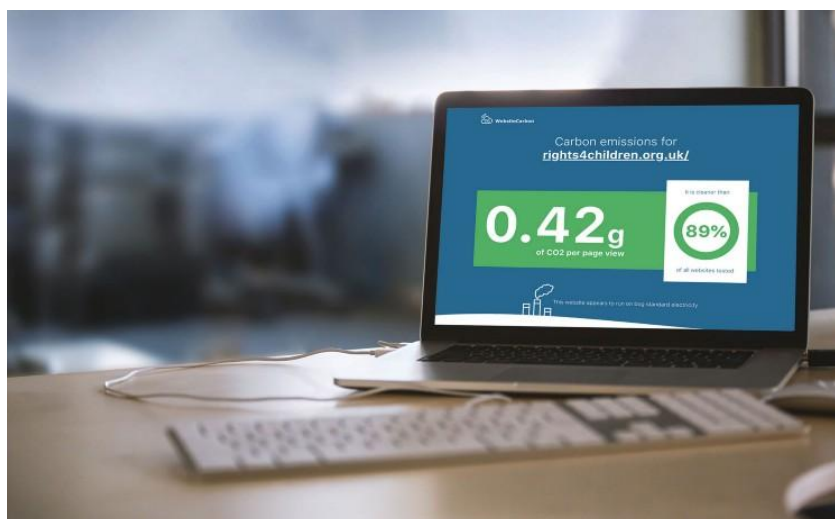
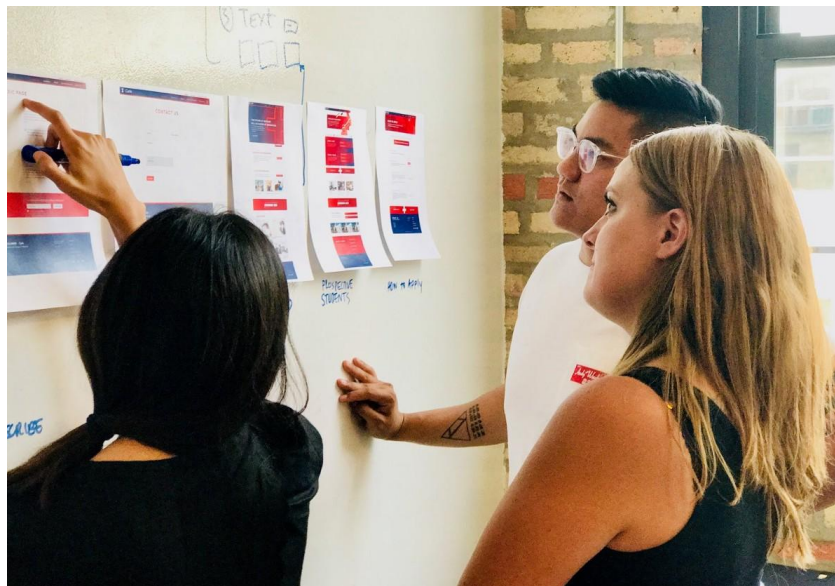
“As someone operating in the social impact branding space, the stakes are even higher than someone looking to make a quick dollar,” notes the LimeRed website. “Branding is an essential factor to communicating your purpose and powering your mission. The time you dedicate to crafting your brand should be intentional.”

## Create Value

How do you create value for all your organization’s stakeholders (including, but not limited to, your customers)? This value isn’t always monetary in nature. Value creation can take many forms, so explore what’s important to you, then execute based on your available means.

When companies use impact measurement tools, they often identify new ways to create value for workers, community, customers, the environment and other stakeholders, as these examples show:

- [Wholegrain Digital](#) created a [website carbon calculator](#) to raise awareness of internet sustainability issues and drive down carbon emissions in its sector.
- Ottawa’s [OpenConcept](#) spearheads [accessibility efforts on the Drupal content management system](#), which is critical for organizations using that system to better serve people with disabilities.
- [Exygy](#) created [DAHLIA, San Francisco’s Affordable Housing Web Portal](#).
- Winnipeg’s Manoverboard designed the award-winning [Serving.Green](#) to help people better understand the importance of moving their website to a green web host.



Captions: Branding for changemakers: LimeRed in action, top and middle, and Wholegrain Digital’s website carbon calculator, bottom.

## Communicate Expectations

A company can only do what its resources allow. This is especially true for agencies, where margins might be tight on some projects or cash flow erratic at times. Your team will get excited about this shift toward more purposeful practices. Aspirations are critical, and should be matched with [good company governance practices](#). It's important to make expectations clear about what your company's resources can support alongside your vision for the future. The recipe for success here: Stay within your means. Communicate how that will happen. Then empower your team members to do their best work.

## Measure Impact, Benchmark Performance

The importance of benchmarking was underscored by all participants. If you're starting down this path, it is critical to measure what matters and benchmark company performance not only against your previous efforts but in comparison to others as well. This helps you identify areas to improve over time.

Of the agencies that responded, 86 percent used the [B Impact Assessment](#) to measure and benchmark environmental, social and governance (ESG) reporting.

OpenConcept mentioned using [Carbon 613](#), a Canadian network of organizations that set greenhouse gas reduction targets in Ottawa. Boulder's [Apiary Studio](#) creates self-imposed metrics related to water, carbon offsets, and philanthropic/volunteer contributions to local issues.

In addition to operating as B Corps, some agencies, like [NetRaising](#) in Portland, Oregon, and my own agency, [Mightybytes](#), became [public benefit corporations](#) as well, creating annual impact reports alongside financial reports every year.

Boise's [Oliver Russell](#) was the only agency that mentioned using the U.N. Sustainable Development Goals. "The SDGs give you a simple, actionable framework that helps you focus your impact locally and regionally," says Founder and President Russ Stoddard, "while tying yourself into a global effort that positively affects the entire planet."

In 2018, Oliver Russell [doubled down on SDG 5, Gender Equality](#), which guides the agency's hiring and organizational development practices as well as volunteering, pro bono work and donations. This year, the agency is expanding that to include three more SDGs:

1. SDG 10, Reduced Inequality
2. SDG 11, Sustainable Cities and Communities
3. SDG 17, Partnerships to Achieve the SDGs

## Community, Partnerships and Interdependence

[Partnering with other businesses or nonprofits](#) whose efforts complement your own can be a fruitful and mutually beneficial way to create change while also expanding brand awareness. Several agencies mentioned that this was an important part of their efforts.

Some agencies use existing programs to broaden their reach. Chicago agency [Birk Creative](#) partners with the [Accelerate With Google](#) program to help underrepresented and marginalized businesses succeed online. Agency CEO and managing partner JinJa Birkenbeuel is also one of the Founding Forty women who launched DePaul University's [Women in Entrepreneurship Institute](#), which supports women entrepreneurs through academic research and programs as well as initiatives that invest in the success and sustainability of women-owned businesses.



Several respondents mentioned that they collaborate with other service providers on philanthropic and changemaking efforts. For example, [Chicago Cause](#), a partnership between [Orbit Media](#) and several other local agencies, has generated nearly \$400,000 in pro-bono services over the past seven years. Similarly, Hemmings House's [Million Dollar Pledge](#) partnership with the United Way of Greater Saint John and nine other organizations will result in \$100,000 of pro-bono services annually for 10 years.

"When we partner with other service providers and the referral for a client comes from a third party, it's trusted more," says LimeRed's Emily Lonigro. "It gives us a clear head start in the sales/vetting process. We look out for each other because we have that same basis of friendship and mutual admiration, but we're also able to refer business to each other."

Similarly, other agencies turn to their clients to generate long-term, mutually beneficial relationships. Boardman of Manoverboard notes that his relationship with [HeartShare Human Services of New York](#) has existed since he started the agency.

"HeartShare is a truly incredible organization serving over 35,000 children, adults and families with developmental disabilities per year," Boardman says. "They started working with me in 2004 when I lived a few miles away in Brooklyn. As one of my most significant clients, my goal was to take care of anything and everything they needed when it came to digital strategy, design and development. We are still working together 15 years later."

## Embrace Failure

You might make mistakes on this journey, and that's OK. Failing is a natural part of business. Knowing this going in will help you identify "safe-to-try" experiments that can move efforts forward without putting your resources at unnecessary risk. Zach Berke, from San Francisco agency Exygy, says there are many lessons impact-driven companies and agencies can learn from modern product design practices.

"You've got to use language thoughtfully to move impact-driven organizations to take risks and embrace innovation," Berke says. "Phrases like 'fail fast' can scare folks, whereas terms like 'pilot', 'iteration', 'efficiency' and 'learning' are examples of terminology that allow folks to be more comfortable with taking a modern approach to product development cycles."



Captions: Birk Creative's JinJa Birkenbeuel with the International Google Digital Coaches Program team, below, and workshop attendees, above.





The same can be said about a company's efforts to create positive social and environmental change. The process should be collaborative and iterative based on small cycles that provide continuous feedback and learning. That way, if failure seems imminent, you know well enough in advance that you can do something about it to minimize risk.

## Challenges to a Purposeful Migration

Only one agency mentioned that it struggles to fully incorporate these efforts into its entire business. Adrian Gershom, director of digital strategy and business development at [clchange](#), a Chicago creative agency, says his company struggles to find the ROI in something like becoming a B Corp.

"For consumer product companies, the path is clear," Gershom says. "Customers increasingly support companies making a difference over those that don't by spending money on their products." They [vote with their dollars](#).

"If you're a B-to-B company, the incentives are less clear," he says, noting that purchasing decisions are often driven by cost, existing relationships, [the dreaded RFP](#) or a number of other factors that may or may not take a potential vendor's ESG initiatives into consideration.

"If you're a service-based B-to-B company, like an agency," Gershom says, "the challenge is greater still. Not only are you always hustling to keep the pipeline flush, but you're often talking to companies that won't care whether you pay your employees a living wage or support nonprofit organizations, especially if it impacts your pricing to them. They want their project done quickly, efficiently, and under budget, no matter what."

Instead, [clchange](#) uses cause-driven work as an opportunity to push the creative envelope while also showcasing new capabilities. For the 2018 holiday season, the agency created a [book and augmented reality project](#) highlighting the impacts of climate change.

## Support Your Local Agency

More than 560,000 agencies exist in the world. Agencies are a growing part of our global economy. As an agency owner, I can qualify that this work is sometimes challenging and difficult. You can fall into the trap of thinking no one cares. Yet this work is also critically important, for all the reasons shared in this series.

In the B Corp community, working with other B Corps is an important part of how we build shared prosperity. The most impactful thing you can do is to hire agencies that have committed to creating positive social and environmental change.

Provide referrals to them, attend their events or otherwise support their efforts. The agencies mentioned in this series are a good start, but there are many more. Not sure if an agency you are vetting is committed to impact work? Search its website. If the agency puts effort into creating change, it also will put effort into telling that story.

To find B Corp agencies, [search them out](#) on B Lab's website.

Photo by [Jonathan M. Hethey](#) on [Unsplash](#)

# Why a Soap Business and a Clothing Company Are Working to Advance Regenerative Agriculture

## And How Your Business Can Join in Reversing Climate Change

By the team at B the Change

Regenerative Organic Certification is an effort to build upon the current organic standard to better protect and build healthy soils that sequester carbon. Businesses from multiple sectors, including B Corp leaders Dr. Bronner's and Patagonia, have joined scientists, farmers, ranchers and institutions to promote a verification of farming practices that improve soil health, animal welfare, and the livelihood of farmers and farm workers.

"Sustainable" is no longer a strong enough measure for the ecological impact of our food-production systems, which predominantly rely on chemical inputs, inhumane animal conditions, and unfair labor conditions for farm workers, say advocates for a new Regenerative Organic certification. The certification's supporters want to implement practices that go beyond sustaining resources to regenerate the land, animals, and farmers and workers—and help reverse climate change. In 2014, [research by Rodale Institute](#) estimated that if current crop acreage and pastureland shifted to regenerative organic practices, 100 percent of annual global CO2 emissions could be sequestered in the soil.

As described by B Corp organic soap producer [Dr. Bronner's](#): "Healthy soils are host to an intricate web of life that includes plant roots, mycorrhizal fungi, bacteria, worms and insects. Soil is not merely dirt—an inert medium—but a dynamic living membrane. The life that thrives in the soil, once it decays, becomes soil organic matter, building up the soil's carbon content. This carbon-rich soil is able to retain more water and naturally nourish plants, helping the plants ward off pests and disease. Regenerative organic agriculture is the idea that we must foster this rich soil ecosystem in every way possible."



Rose Marcario, CEO Patagonia

When used to define agricultural systems, there is a loose understanding that the agricultural practices conserve and build healthy soils as part of combining food production with carbon sequestration. But no formally agreed upon set of standards and languages to describe the system was readily available.

"We had concern that the word regenerative was being used without the word organic – we thought that was a big issue," said [Rose Marcario](#), CEO of B Corp clothier Patagonia, to Morning Agriculture at the 2018 Natural Products Expo West in March. Marcario and David Bronner, CEO of Dr. Bronner's, spoke on a panel at Expo West about the Regenerative Organic Standard to a standing-room only crowd. Both are worried the term "regenerative" could be rendered meaningless unless strict standards were developed to back it up.

## Setting the Standard

Jeff Moyer, executive director at the Rodale Institute, began having discussions with Bronner and Marcario about the idea of a Regenerative Organic certification.



David Bronner, CEO Dr. Bronner's

The [Regenerative Organic certification standards](#) will be overseen by the newly formed Regenerative Organic Alliance, which includes the Rodale Institute and allies, including Bronner and Marcario, who both serve on the Alliance's board. Moyer told the Non-GMO Report that [the new regenerative standard](#) is based on the existing organic standard administered by the USDA's National Organic Program.

Beginning in 2003, Dr. Bronner's committed to sourcing all major raw materials for its products from organic farms.

## Building Off A Strong Foundation



Regenerative Organic Certification was created to leverage and bring together existing high-bar certifications in order to avoid duplicative audits or burdensome paperwork. With USDA Organic certification as a baseline, Regenerative Organic Certification recognizes the strong work already conducted by existing animal welfare and social fairness standard bodies, and therefore, leverages this work as part of the journey to Regenerative Organic Certification.

### FOOD SYSTEM CERTIFICATIONS TIMELINE





This certification is a natural evolution. [The company explains](#): “High-bar Regenerative Organic Certified standards that include soil health, farmworker justice and animal welfare will not only fill in the gaps left behind by organic certification, but will also help codify practices within the regenerative organic movement itself. It is our belief that regenerative agriculture should absolutely include and build on organic agriculture as a baseline. We are joined in this position by our allies in crafting Regenerative Organic Certified standards, including Rodale Institute, Fair World Project, Compassion in World Farming and Patagonia. Regenerative organic agriculture is a chance to reclaim the original intent and foundation of organic agriculture, and is not merely meant to replace it. Organic certifications, with their focus on minimizing synthetic inputs are still crucially important: We do not need to be spraying these poisons into our air or polluting our waterways with them.”

After [publishing the first draft of the Regenerative Organic Certification framework](#) in September 2017, the Regenerative Organic Alliance asked for and received hundreds of comments from farmers, ranchers, certifiers and other stakeholders in our agriculture and food system. The group is reviewing all the feedback to update and refine the certification.

## The Role of Businesses

“I think we have a nice constituency with brands and suppliers who are willing to go on the journey with us,” Marcario told the [Non-GMO Report](#). “I’m hoping this influences the industry in a positive way.”

Several B Corp brands have signed on as allies with the Regenerative Organic, including: [All Good](#), [Alter Eco](#), [Happy Family Brands](#), [Horizon Organic](#), [Vega](#), and [Guayakí](#), along with [Dr. Bronner’s](#) and [Patagonia](#).

Andy Fyfe with B Corp Growth at the nonprofit B Lab, which certifies B Corporations, was at the 2018 panel at Natural Products Expo West where Marcario and Bronner presented on the Regenerative Organic Certification. “It was great to see B Corps collaborating and using their collective voice — and action — to create new standards,” Fyfe says. “I am inspired by what companies can do together rather than going at it alone. That embodies the spirit of interdependence of the B Corp community, and I can’t think of a better way to see that shine than working toward a more regenerative economy through regenerative organic agriculture.”

The Regenerative Organic Alliance is continuing to sign on business allies. If your company sources raw materials from farmers, you can review the [resources provided by the Regenerative Organic Alliance](#) to identify how to qualify your products and your suppliers as regenerative organic — rejuvenating our agricultural system and helping to reverse climate change.

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**“I am inspired by what companies can do together rather than going at it alone. That embodies the spirit of interdependence of the B Corp community, and I can’t think of a better way to see that shine than working toward a more regenerative economy through regenerative organic agriculture.”**

—Andy Fyfe, B Lab



(Photo by [Jason Blackeye](#) on [Unsplash](#))

# Voting Every Day for Clean Energy

## Climate Concerns Have More Consumers Choosing Wind or Solar

By Kate Colarulli

The recent [California fires](#) are the latest reminder of the all-too-present dangers of climate change. With the death toll rising and thousands of homes and businesses burnt to the ground, we don't have time to debate anymore. We need real leaders who will put our lives and our planet first.

The [latest report](#) from the Intergovernmental Panel on Climate Change (IPCC) warns that we only have 12 years to correct course and phase out fossil fuels before we cause irreparable damage.

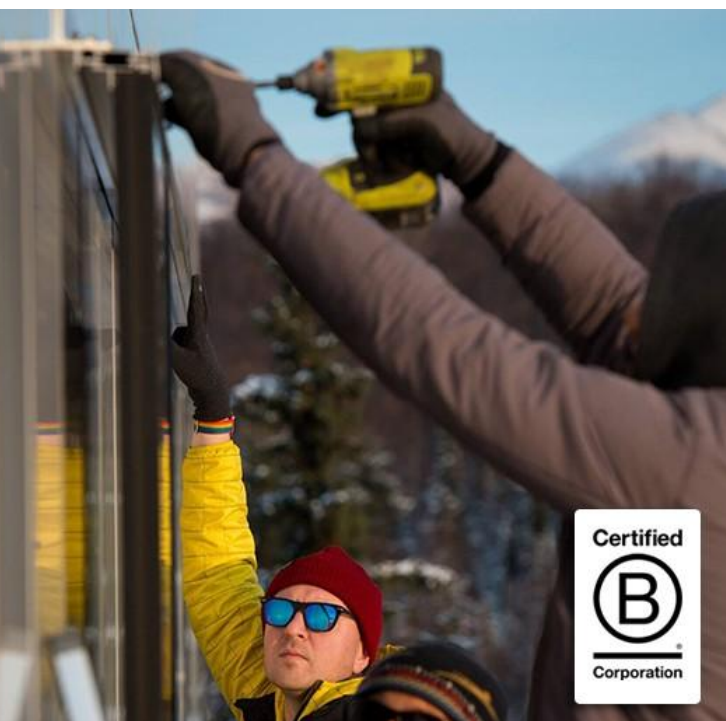
But fossil fuels are traditional sources of electricity and release billions of tons of carbon pollution into the air we breathe and toxic waste into the water we drink. To meet the goal of climate survival, we need to move our electricity sector to renewable sources such as wind and solar.

### Consumer Choice

On November 6, I went to the polls and voted for candidates and issues that would help get us the [climate action we need](#). But we also need people to “vote” every day for climate action through our everyday choices. Millions of Americans already have the opportunity to vote for a clean energy future by choosing wind and solar power as sources for the electricity that powers for our homes and businesses.

In [17 states plus Washington D.C.](#), utility customers have the right to choose the source of their electricity. In addition, customers in many [states can subscribe to community solar farms](#) — and more states are adding community solar every year. Hundreds of thousands of homeowners already have installed rooftop solar, bought hybrid and electric cars, increased the efficiency of their homes and appliances, decided to reduce or offset their air travel, and purchased cleaner products.

At CleanChoice Energy, our customers vote for clean energy every day by deciding to make the switch from supporting dirty power to supporting wind and solar. Within minutes, a customer can sign up for either [community solar](#) or [clean electricity retail supply](#). Our retail electricity business has helped our customers reduce their carbon footprint by a collective 3 billion pounds of carbon pollution. That's the annual equivalent of preserving 1.4 billion acres of forest or keeping 1.5 billion pounds of coal from being burned. By supporting clean energy, our customers are funding renewable energy projects and helping to drive more investment in renewable energy projects. And the electricity sector, which makes up a third of our country's carbon emissions, might be the place where you and I can have the biggest impact. Last year, the electric power sector was the only U.S. sector in which energy-related [emissions decreased in 2017](#), and the 4.6 percent decline was enough to offset increases in all other sectors.



*Caption: Alaska-based B Corp Arctic Solar Ventures installs residential solar panels. (Photo courtesy Arctic Solar Ventures.)*

## A Powerful Vote

It's never been easier to power your home, apartment or business with clean, renewable energy. We can decide to vote for climate action every day by making sure all our electricity is replenished on the grid with 100 percent clean wind and solar power. As more people choose clean energy, markets will adjust how they view clean energy. As people switch from dirty power to clean power, new renewable energy projects are deployed that make proactive climate policy decisions even easier.

Every time I step into the voting booth, I choose candidates who will fight for the future of our planet. And today, I feel grateful that between election cycles, every time I turn on my lights, I am “voting” for the clean energy future we all deserve.

As your business works to address climate change, you can find more resources and steps for improvement within the [B Impact Assessment](#). Work year over year to set goals and make positive impact changes by becoming a Certified B Corporation and with each reassessment period. Also, the [Inclusive Economy Challenge](#) has a specific set of climate change metrics—sign up for the challenge and set tangible goals to make changes at your business to become a climate leader today.

And stay up to date with what the B Corp community is doing related to climate change as well as all other areas of positive impact through business by subscribing to [B the Change Weekly](#), the free newsletter all about the B Economy.