

2015 Benefit Report

The Communications Refinery, PBC

Finding Purpose

2015 was a year of transition for The Communications Refinery, PBC.

It was a year in which the company solidified its reason for being as an essential complement to its bottom line; it converted from an S Corp to a Colorado public benefit corporation (PBC); it modified its business model; and it earned Certified B Corp status. In the process, some long-time clients were shed, yet many new relationships were initiated.

In this, the company's first annual benefit report, we'll guide you through the 2015 journey, which ended with a New Year's Eve toast to a bright future as a new kind of corporation.

The Path to Purpose

Some years ago, while flying from some city to another, the founder of The Communications Refinery, Kerby Meyers, had a thought: He could keep doing the work he was doing for the traditional financial services industry and retire a happy guy in a number of years. Or, he could seek out something more rewarding and fulfilling. Something along the lines of co-owner Tori Meyers, who offers grant writing services to impactful nonprofits.

After months of introspection and research, Kerby determined that a focus on responsible investing and benefit corporations/Certified B Corps would satisfy that hunger for a thoroughly rewarding day's work. That is, something that generated revenue and goodwill. Again, much like the work Tori was doing with nonprofits.

The professional services offering was similar – strategic and communication consulting, but now there was a purpose.



The Path to Purpose (continued)

More specifically, a purpose that could be codified in the company's conversion to a PBC:

To further the work of corporations and nonprofit organizations seeking to make a positive impact on the economy, culture or environment of the communities they serve.

Reflecting the more holistic sentiment for the existence of The Communications Refinery, that statement was the highlight of the amended articles of incorporation filed with the State of Colorado on February 20, 2015.

Following the New Path

It's one thing to say you're embarking on a well-meaning direction. If you don't commit to that focus, however, the words ring hollow.

On the nonprofit side of The Communications Refinery, the business model was dialed in. Tori's client base of Colorado-based nonprofits provided steady grantwriting work while doing good on the social and policy sides of issues such as:

- Obesity
- Multiple sclerosis
- Sexual abuse
- Higher education opportunities
- Senior welfare

On the corporate side, however, Kerby's client list needed some work. A long-time client from the traditional financial services space had to be let go, as none of the company's mutual fund offerings fell into the responsible investing space. Without that significant revenue source, business development blossomed in earnest – as it had to.

2015 achievements

Provided six nonprofit clients with needed capital by raising an estimated \$1.6 million in private grant funding

Initiated an advisory role with Think Global, a consultancy dedicated to helping women-owned growth-stage businesses

Increased awareness of the company's services in the responsible investing and B Corp communities, including development of an annual benefit report primer

Committed time to volunteer efforts in the community, including leading a \$2.6 million renovation project at a community service-focused church in central Denver

Reduced the carbon footprint of the company by emphasizing self-powered (largely, bicycle) or more efficiently powered (mass transit or motorcycle) alternates to auto travel

Directed at least 1 percent of the company's gross revenues to philanthropic purposes

Following the New Path (continued)

As is the case with most business development, nothing occurred as quickly as might be hoped, but valuable connections were forged across the responsible investing space. Some held high promise for 2016.

Within the benefit corporation/Certified B Corp space, Kerby sought out different avenues to connect with purpose-minded small- and mid-sized businesses, where the opportunities appeared greater.

Attaining B Corp Status

As part of being a Colorado public benefit corporation, The Communications Refinery is required to complete a third-party assessment of its overall corporate, social and environmental performance.

For this responsibility, the company selected the B Impact Assessment, which is developed and maintained by the non-profit B Lab. Other assessment tools were considered, includes the Global Reporting Initiative, ISO 26000 and assorted environmentally focused assessments, but the B Impact Assessment was determined to be the most comprehensive, yet relevant to a small company. Furthermore, B Lab's support of the broader benefit corporation community, its local resources and growing network of Certified B Corps were appealing.

To become a Certified B Corp, a company must achieve 80 points out of the possible 200 on the B Impact Assessment. As The Communications Refinery scored 81 points, it earned B Corp status, effective in November 2015.

What makes us a better company?

B Impact Report

Certified since: November 2015

Summary:	Company Score	Median Score*
Environment	14	7
Workers	N/A	18
Customers	23	N/A
Community	28	17
Governance	16	6
Overall B Score	81	55

80 out of 200 is eligible for certification
Of all businesses that have completed the **B Impact Assessment**
*Median scores will not add up to overall

Attaining B Corp Status (continued)

Strengths within the assessment included in the environment section, as all of the company's electricity is generated from renewable sources; in the customer section, reflecting the 57 percent of revenues generated by purpose-oriented organizations, companies and practices; in the community section, where there was a high level of community volunteer work; and in the governance section, due in part to the shared oversight of the company.

Fully anticipating that achieving B Corp status would require more than one attempt, we are pleased and proud to have achieved the certification on our first try.

Looking Ahead

Since it represents the company's first year as a PBC, 2015 provides The Communications Refinery with a number of valuable benchmarks. Going forward, we will work to further fulfill its purpose while improving the company's broader impact.

Most immediately, by successfully achieving its 2016 goals, The Communications Refinery will demonstrate to all of its stakeholders that it can increasingly do good while continuing to do well.

2016 goals

To improve its broader impact in 2016, the company is targeting:

A greater potential impact by clients within the target markets of the responsible investing industry, benefit corporations/B Corps and nonprofits

A higher proportion of revenues from purpose-oriented clients—organizations, companies and practices

An improvement on the carbon footprint of the organization, most notably in a further reduction of auto usage for the business

A renewed focus on community volunteer efforts, due largely to the ending of a time-consuming assignment in December 2015

An increased oversight of company's efforts through more frequent review meetings