Public Benefit Report

Mightybytes 2017







Our 2017 Benefit Report

Thanks for checking out our 2017 Benefit Report. As an Illinois Public Benefit Corporation, Mightybytes is legally required to report annually on how our company created a benefit to society. For us, that means aligning company policies to a triple bottom line supporting people, planet, and prosperity. This report shows how we did that.

B the Change, Tim Frick CEO

We Are an Illinois Public Benefit Corporation

Mightybytes is a Chicago-based digital agency started in early 1998. We help nonprofits and mission-aligned companies solve problems, create change, and achieve measurable success. The company has always been guided by a strong commitment to the triple bottom line of people, planet, and prosperity. As a Public Benefit Corporation, we made this commitment legal in January 2013.

This benefit report satisfies those legal requirements and explains how we worked to support a triple bottom line in 2017.

Our clients include:















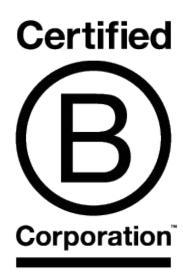


Mightybytes is a Certified B Corporation

B Corps like Mightybytes use the power of business to solve social and environmental problems. We became a Certified B Corp in 2011 and were the 9th in Illinois.

We use the <u>B Impact Assessment</u> (BIA) as our third-party verification because it is a rigorous audit that sets high standards in transparency and environmental and social accountability. The BIA is used by 50,000+ organizations worldwide to help them measure what matters. For Mightybytes, it provides a blueprint to help us build a better business and measure our impact over time. We use the BIA to create company benchmarks and improve our focus on community, environment, workers, governance, and customers.

In 2017, we achieved our highest B Corp certification score yet at 102 points. B Lab is an independent, third-party nonprofit organization with no material ties to Mightybytes.



Check out the <u>B Corporation page on our website</u> to learn more about what being part of the global community of Certified B

Corps means to Mightybytes.

B Impact Assessment

How our score ranks alongside other companies.

The assessment is broken into five categories:

- 1. Your company's environmental impact
- 2. How you treat company workers
- 3. Are your customers mission-aligned?
- 4. What sort of community citizen is your company?
- 5. Do you govern the company equitably and transparently?

B Impact Report Certified since: July 2011		
Environment	12	7
Workers	23	18
Customers	16	N/A
Community	28	17
Governance	22	6
Overall B Score	102	55

We tried unsuccessfully to crack the 100-point mark during each B Corp certification since 2011. Fourth time's a charm!

2017: A Banner Year

As a Benefit Corporation and digital agency that sells services, balancing purpose with profit is an ongoing challenge: our purpose-driven initiatives are funded by profit that comes from the work our team does. Because of this, resources to internally execute social impact projects are always scarce.

That said, 2017 was a banner year for several reasons:

- 1. We pulled the company out of debt to finish 2017 as our most successful year to date.
- 2. We replaced old, broken processes and practices with new ones and held our company stakeholders accountable. This was a fundamental shift in how we operate.
- 3. We got clarity around the role philanthropy plays within our company and <u>became a 1% for the Planet member</u>, earmarking 1% of our topline revenue for environmental nonprofits.
- 4. It was the last year of our teens: we turned 20 at the beginning of 2018. We're almost legal!

People

Improving our workplace and community.

Our Team

Our small team is our most valuable asset. We make concentrated efforts to provide employees with growth opportunities and a well-balanced life.

Team members participate in peer-to-peer education, regular financial performance meetings, volunteering, and quarterly educational events. These practices unify the company and help us continuously improve the business.

Mightybytes provides team members with a benefits package meant to improve quality of life. Full-time staff are eligible for health, dental, vision, long- and short-term disability, and life insurance policies. They are also eligible for the company's retirement savings program and generous paid time-off.





Team Engagement

We encourage employees to engage with our community and other mission-aligned organizations throughout the year.

In 2017, we volunteered speaking and mentoring services for events that help organizations around Chicago reach underserved communities. We also hosted several industry and community education workshops throughout the year.



In our office and in the community: educating local small businesses and nonprofit organizations on current digital marketing practices.

Community Engagement

In 2017, Mightybytes planned and hosted local B Corp events, facilitated workshops, spoke at conferences, and hosted educational community events.

Mightybytes is also a member of the Ravenswood Chamber of Commerce, working to improve our local neighborhood business corridor. We are members of several professional associations as well.



Hosting a local B Corp event at Baird & Warner.

People: Other Things We Did

We also implemented these policies and practices:

- Increased paid time off to 20 days annually for new hires.
- Provided active furnishings for employees.
- Paid bonuses for the first time in several years.

- Educated peers and customers on digital accessibility.
- Donated our office for educational community events.
- Offered discounts to social enterprises.

Planet

Reducing our impact.

Our Office

We designed our office to be as sustainable as possible when we moved to Ravenswood. It includes a number of planet-friendly features.

These include partially recycled drywall, an energy-efficient HVAC system, Energy Star-compliant appliances, low VOC paints, LED lighting and custom-made countertops that use recycled cement.

The office also features two living plant walls, which improve both aesthetics and air quality.

To encourage better transportation options, our office is close to Chicago's CTA brown line, several major bus lines, the suburban METRA electric rail, and a Divvy bike sharing station. We have a bike room in the basement as well



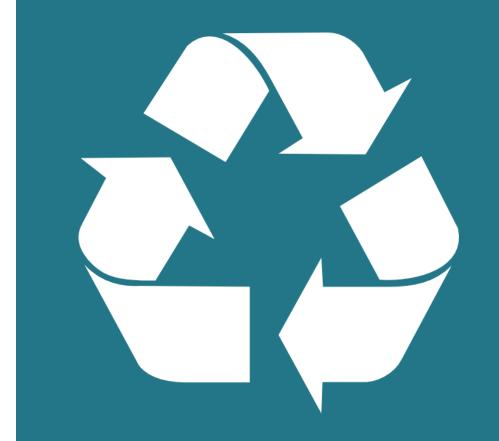
Recycling & Composting

Clear, strategic policies on waste reduction are critical for us to continuously improve the company's environmental impact.

We position recycling bins near every desk and have a central recycling station in our kitchen.

We use a local composting service that helps use reduce food waste on a larger scale. This service replaced our inadequate onsite composting in 2016.

We also use green cleaning products and either reusable towels or those made from recycled materials to keep the office clean.



Planet-Friendly Policies

Mightybytes employs policies that encourage more sustainable practices among our team and help reduce our overall environmental impact.

We have a purchasing policy that requires the use of B Corporation vendors when possible, including office supplies from fellow B Corp Give Something Back.

Our green travel policy encourages employees travel only when necessary and use greener forms of transit, like walking, biking, and public transportation, when possible.

We offset business travel emissions with forestry carbon offsets from fellow B Corp 3Degrees. Carbon offsets from forestry projects are created when one metric ton of carbon dioxide is absorbed by the forest. Offsets are measured through a robust protocol of forest monitoring and scientific verification.



Our passion for the environment extends well beyond our office. We help clients and peers improve their digital footprints too.

Mightybytes employs <u>Sustainable Web Design</u> practices and works to raise awareness about the internet's massive environmental impact. We educate our community of designers and developers about tools and tactics to create digital products that are both people- and planet-friendly.

Our CEO Tim Frick's book, <u>Designing for Sustainability: A Guide to Building Greener Digital Products and Services</u> from O'Reilly Media covers this topic in great detail.

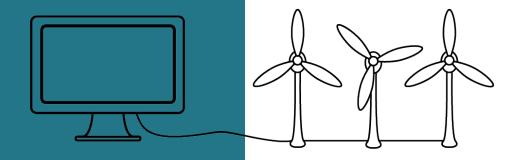
In addition to providing resources through our blog and outreach, we continue to support <u>Ecograder</u>, which scores websites on these principles and offers recommendations for improvement. To date, Ecograder has crawled nearly 2 million URLs. People use it to learn more about improving efficiency and usability of digital products while also reducing environmental impact.

Green Hosting

In 2016 we began offering hosting through Google Cloud Platform so our clients' websites could be powered by a carbon-neutral company. Google has been carbon-neutral since 2007 and began running on 100% direct renewable energy (not purchased credits) in 2017.



of our hosted websites were powered by renewable energy in 2017.



Planet: Other Things We Did

We also implemented these policies and practices:

- Powered the office with renewable energy (RECs).
- Offered discounts to environmental nonprofits.
- Employee field trip to closed loop business incubator.

- Became a 1% for the Planet member (as of 01/01/18).
- Donated pro bono services to Climate Ride.
- Spoke at large industry conferences about the internet's environmental impact.

Prosperity

Reaching our goals while helping clients reach theirs.

Continuous Improvement

We spent much of 2017 focusing on organizational agility and process improvement.

These practices helped the company become debt-free in 2017 and chart a course for new productized services, better customer support, and more financial stability overall.

This work is ongoing. We must have profit to support people and planet, so we will always embrace agile methods for continuous improvement.



Prosperity: Other Things We Did

We also implemented these policies and practices:

- We added several new products and services.
- We honed company processes for better efficiency.
- We used AI to improve several company practices, such as sales and scheduling meetings.

- We formed an advisory committee of industry pros.
- We improved our internal digital marketing efforts.
- We created dashboards for real-time reporting on important company metrics.

Proof

Validation of our efforts from some cool folks.

Best for the World

Mightybytes was included in B Lab's 2017 Best for the World list.

This list is compiled annually by B Lab and showcases companies that score in the top 10% of the B Impact Assessment.

Mightybytes was included in the "Best for the Long Term" category, which evaluates a company's overall mission, ethics, accountability, and transparency.



Illinois Sustainability Award

In late 2017, Mightybytes was recognized as a state sustainability leader for our work educating others about sustainable design and the internet's environmental impact. We were one of only 22 Illinois companies, all of which were much larger than us, to receive this award.





For more information about this award and what it means to us, check out our post, Mightybytes Wins an Illinois Sustainability Award.

How Can We Improve?

We always strive to be a better company and find new ways to support the triple bottom line.

If you have specific suggestions or ideas to help us improve our social and environmental impact, please <u>contact us via our website</u> with your ideas. Thank you.



With Gratitude

Thank you for reading our 2017 Benefit Report. We look forward to improving our social and environmental impact into 2018 and beyond. **B the Change.**

Being a Public Benefit Corporation and Certified B Corp helps us live triple bottom line values every day and fulfill the mission of pursuing both profit and purpose. To that end, we helped many mission-driven organizations find success in 2017. When they find success, we do too, and people and planet benefit from these efforts.

Sincerely, The Mightybytes Team

It is my opinion that Mightybytes has acted in accordance with its general public benefit purpose under the Illinois Benefit Corporation Act and that the directors and officers of Mightybytes have complied with their duties under Sections 4.01(a) and 4.10(a) of the Act, respectively. I have received no compensation for Benefit Director tasks. The board's powers or discretion have not been restricted or dispensed with in any way.

Jeff Yurkanin, Benefits Director & Officer
Mightybytes, 4001 N. Ravenswood, Suite 404, Chicago, IL 60613

Thanks!



"Better digital solutions for people and planet."



Mightybytes.com

Ecograder.com

SustainableWebDesign.org