

EVERYTHING YOU NEED TO KNOW ABOUT IBMs...

1 IBMs, A B CORP SPECIFICITY

WHAT IS AN IBM

An IBM (Impact Business Model) is a **business model**:

- **Designed to create a positive social and/or environmental impact** beyond the company's operational impact
- Targeting a **specific benefit/** outcome for one of its stakeholders
- Whose impact is thoroughly **measured and monitored**

IBMs IN THE B CORP STANDARDS

IBMs are a key dimension of B Corp. The B Impact Assessment measures both the:

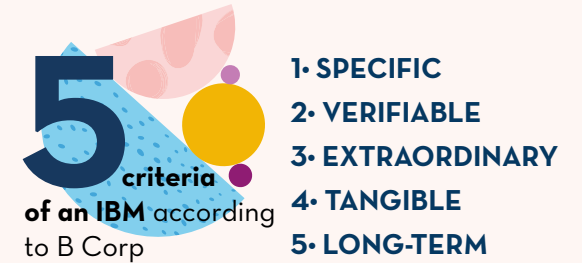
OPERATIONAL IMPACTS

Daily practices of the company

VS

IMPACT BUSINESS MODELS

Design of the company



MORE THAN HALF

of the BIA's questions relate to IBMs

→ Although very difficult to obtain, the total available IBM points are **MORE THAN DOUBLE** the points available on operational questions

2 AN IBM OVERVIEW

GOVERNANCE

- Mission Locked

WORKERS

- Worker Owned
- Workforce Development

COMMUNITY

- Supply Chain Poverty Alleviation
- Micro-enterprise Poverty Alleviation
- Producer Cooperative
- Economic development (Local, National)
- Designed to give

ENVIRONMENT

- Renewable/Cleaner Burning Energy
- Resource Conservation
- Land/Wildlife Conservation
- Toxin Reduction/Remediation
- Environmental Information and Education
- Environmental Innovative Process (Agricultural, Manufacturing, Wholesale)
- Building & Real Estate Addendum

CUSTOMERS

- Basic Services for the Underserved
- Economic Empowerment for the Underserved
- Health and Wellness
- Education
- Support for Underserved Purpose Driven Enterprises
- Impact Improvement
- Arts, Media, & Culture
- Infrastructure/Market Access Building
- Serving In Need Populations (bonus)
- Finance Addendum
- Education Addendum

FOCUS ON THE GOVERNANCE IBM

Mission Locked, the only IBM of the Governance impact area and the only mandatory IBM, is B Corp's legal prerequisite: it requires companies to protect their mission and their ability to formally consider stakeholders in decision making by integrating it in their corporate governing documents. As it is mandatory, we have often chosen to exclude it from our analysis in order not to distort the results.

FOCUS ON THE ADDENDA

There are three sector-related IBMs (or industry addenda), dedicated to **measuring the specific impact of these industries: Building & Real Estate, Finance, and Education**. As these addenda provide more catered insights, they replace all other IBMs available in the corresponding impact area. IBMs for the other impact areas remain available.

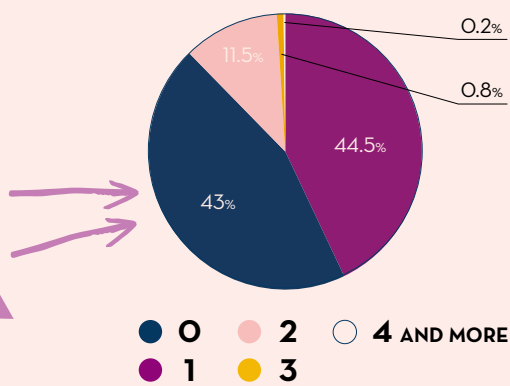
- Generic IBMs - internal models
- Generic IBMs - value chain models
- Generic IBMs - beneficial products/services
- Addenda (sector-related IBMs)



3 GETTING A SIGNIFICANT SCORE ON ONE IBM IS DIFFICULT, BUT IT IS EVEN HARDER ON TWO OR MORE SIMULTANEOUS IBMs...

While only **57%** of B Corps score at least 10 points on a single IBM
 ...Only **12%** do on multiple IBMs!¹

Distribution of B Corps according to the number of IBMs obtained with a significant score: above 10 points³



13 the average number of IBM points obtained by B Corps that unlock an IBM²

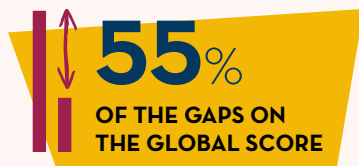
¹ Generic IBMs, excluding sector-related and Governance IBMs
² Among companies that open an IBM with more than one point, excluding Governance
³ Generic IBMs, excluding sector-related IBMs and Governance

4 WITHOUT IBM POINTS IT IS DIFFICULT TO GET A (VERY) HIGH OVERALL SCORE!

IBM points represent 29% of the average score obtained by B Corps, split between:

- 9%** FOR THE MISSION-RELATED GOVERNANCE IBM
- 17%** FOR THE REMAINING GENERIC IBMs
- 3%** FOR SECTOR-SPECIFIC IBMs

But the difference between IBM⁴ points (including sector-related IBM) accounts for



⁴ including sector-related IBMs

5 BEST FOR IMPACT : THE B CORPS WHICH SCORE THE MOST POINTS WORLDWIDE⁵

COMPANY	OPERATING COUNTRY	SIZE	INDUSTRY	IBM POINTS (EXCL. GOVERNANCE)	% OF THE TOTAL SCORE
DR. BRONNER'S	UNITED STATES	250-999	PERSONAL CARE PRODUCTS	979	47%
PEGAFRICA	MAURITIUS	250-999	ELECTRICAL EQUIPMENT	87.5	67%
APIAFRIQUE	SENEGAL	10-49	TEXTILES	86.6	59%
WAKAWAKA	THE NETHERLANDS	1-9	MACHINERY & EQUIPMENT	85.9	55%
HYBRYTEC SOLAR	COLOMBIA	10-49	SOLAR PANEL INSTALLATION	83.4	53%

#1 FINANCE VERT ASSET MANAGEMENT	UNITED STATES	1-9	BANKING	89.1	58%
#1 REAL ESTATE MOKULUA HIGH PERFORMANCE BUILDER	UNITED STATES	10-49	REAL ESTATE	44.9	33%
#1 EDUCATION PARTICIPATE LEARNING	UNITED STATES	50-249	EDUCATION	59	40%



The best budding B Corp (with no employee): **OXIOUS BV, 108 IBM points⁵**



The most dependent on IBM points⁵: **PLANTUC PROJOTOS SOCIOAMBIENTAIS with 77% of the total score (85 IBM points)**



The French B Corp with the highest IBM score⁶: **LEMON TRI, 65.9 IBM points**

⁵ excluding Governance IBM, excluding companies with no employee
⁶ all IBMs included

6 TOP 10 IBMs OBTAINED BY B CORPS⁷

IBM	% OF CERTIFIED COMPANIES	AVERAGE SCORE
SUPPORT FOR UNDERSERVED/PURPOSE DRIVEN ENTERPRISES	15.90%	9
TOXIN REDUCTION / REMEDIATION	14.60%	7,9
RESOURCE CONSERVATION	12.10%	11,7
SERVING IN NEED POPULATIONS	12.00%	9,2
DESIGNED TO GIVE	11.70%	18,4
IMPACT IMPROVEMENT	10.50%	14
SUPPLY CHAIN POVERTY ALLEVIATION	7.60%	10.1
LOCAL ECONOMIC DEVELOPMENT	6.20%	12.8
EDUCATION	5.40%	10.4
LAND/WILDLIFE CONSERVATION	5.40%	7

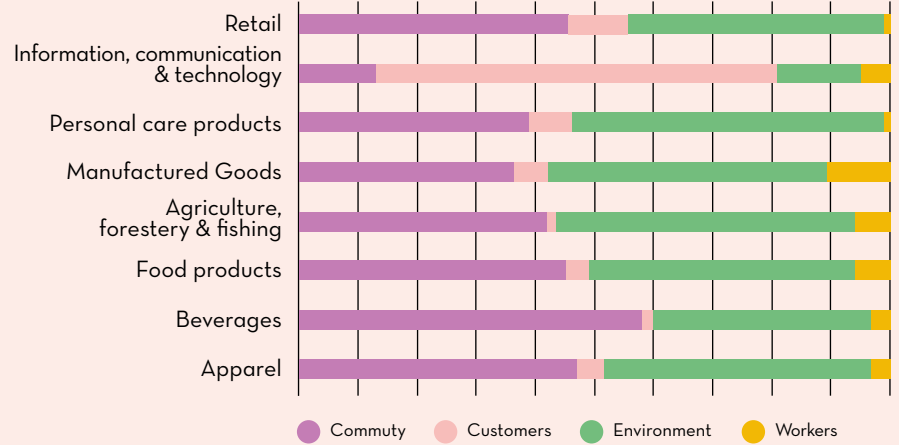
● Customers impact area ● Community impact area ● Environment impact area

⁷ excluding sector-related and Governance IBMs and excluding companies with no employee



7 IMPACT AREAS VARY DEPENDING ON THE INDUSTRY

Distribution of IBMs among several industries, by impact area⁸



⁸ IBM obtained with 1 point or more, excluding Governance IBM

8 SIMILARITIES AND DIFFERENCES IN IBMs BETWEEN DIFFERENT INDUSTRIES⁹

TOP 5 IBMs OBTAINED IN SEVERAL INDUSTRIES

	#1	#2	#3	#4	#5
APPAREL	Toxin Reduction / Remediation	Resource Conservation	Supply Chain Poverty Alleviation	Designed to Give	Land/wildlife Conservation
BEVERAGES	Toxin Reduction / Remediation	Supply Chain Poverty Alleviation	Designed to Give	Local Economic Development	Land/wildlife Conservation
FOOD PRODUCTS	Toxin Reduction / Remediation	Supply Chain Poverty Alleviation	Local Economic Development	Land/wildlife Conservation	Designed to Give
AGRICULTURE, FORESTRY & FISHING	Toxin Reduction / Remediation	Supply Chain Poverty Alleviation	Land/wildlife Conservation	Local Economic Development	Resource Conservation
MANUFACTURED GOODS	Toxin Reduction / Remediation	Supply Chain Poverty Alleviation	Resource Conservation	Land/wildlife Conservation	Workforce Development
PERSONAL CARE PRODUCTS	Toxin Reduction / Remediation	Designed to Give	Resource Conservation	Health & Wellness Improvement	Supply Chain Poverty Alleviation
INFORMATION, COMMUNICATION & TECHNOLOGY	Support for Underserved / Purpose Driven Enterprises	Serving in Need Populations	Impact Improvement	Education	Designed to Give
RETAIL	Toxin Reduction / Remediation	Resource Conservation	Designed to Give	Supply Chain Poverty Alleviation	Land/wildlife Conservation
FINANCIAL & INSURANCE ACTIVITIES ⁹	Serving in Need Populations	Designed to Give	Support for Underserved/ Purpose Driven Enterprises	Local Economic Development	Economic Empowerment for the Underserved
REAL ESTATE, DESIGN & BUILDING	Local Economic Development	Resource Conservation	Designed to Give	Serving in Need Populations	Worker Owned

● Community
 ● Customers
 ● Environment
 ● Workers

⁹ excluding sector-related IBMs and Governance IBM

9 IBMS ARE NOT ONLY MEANT FOR SMALL IMPACT-NATIVE COMPANIES

More than

90% OF COMPANIES WITHOUT EMPLOYEES

score at least one point on a generic IBM¹⁰...

...BUT THIS FIGURE REMAINS STEADY AT AROUND

70-80%,

for all other companies, whether they have 1 or more than 1000 employees

¹⁰ excluding Governance IBM

