
Virginia Community Capital and Impact Makers B Corporations and the Social Impact Movement



Who We Are

Community is at the center of everything we do—including our name.

Virginia Community Capital

- supports housing & community development ventures in underserved markets
- creates jobs
- builds sustainable communities



by offering flexible financial products and advisory services.



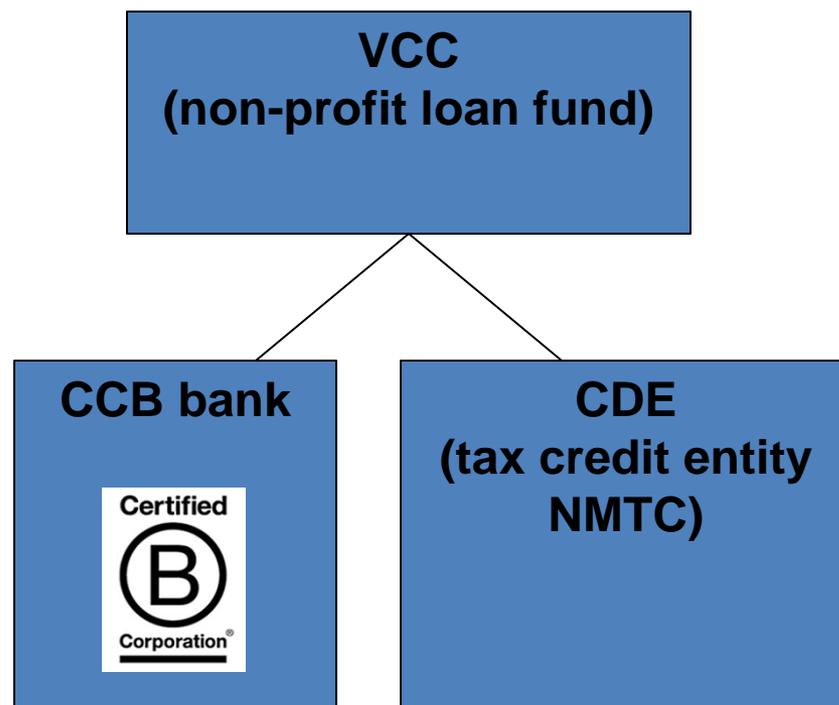
About VCC

- Created in 2005, Governor Mark Warner privatized \$15M state funds
 - VCC is a non-profit community development financial institution (CDFI) loan fund
 - 11 person board (2 state appointed members)
 - \$86 million in assets
 - \$65 million loan portfolio
- Community Capital Bank of Virginia
- State chartered, for-profit bank subsidiary
 - B certified corporation (Benefit Corporation)



Organizational Structure

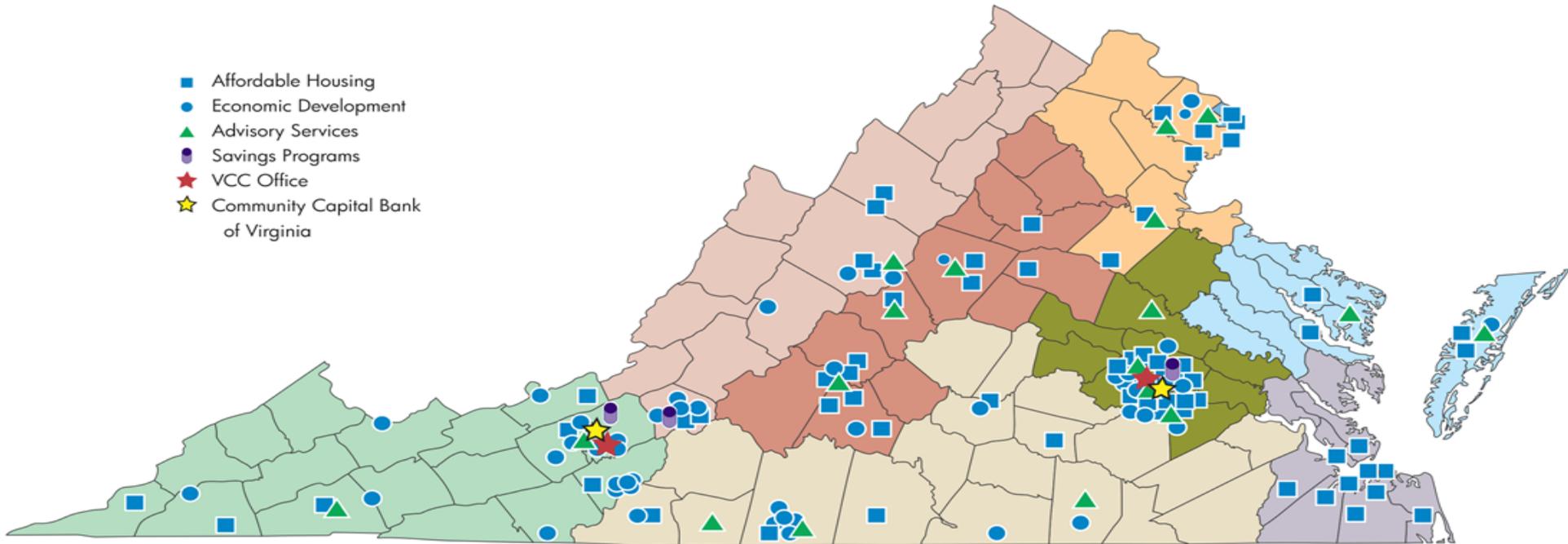
- 2 subsidiaries
 - for-profit bank (CCB)
 - New Market Tax Credit entity (CDE)
- Leverage 'for-profit' banking model for greater mission-focused lending & advisory services
- Lower overhead than traditional banks



Communities Served by Virginia Community Capital

Total Activity as of 10/31/2012

- Affordable Housing
- Economic Development
- ▲ Advisory Services
- Savings Programs
- ★ VCC Office
- ★ Community Capital Bank of Virginia



Virginia Regions*

- | | | |
|-------------|------------|-----------------|
| ■ Central | ■ Eastern | ■ Hampton Roads |
| ■ Northern | ■ Richmond | ■ Southside |
| ■ Southwest | ■ Valley | |

* According to the Weldon Cooper Center for Public Service





Impact Makers

PROFESSIONAL SERVICES - COMMUNITY IMPACT

Impact Makers is a management and information technology consulting firm.

- Founded in 2006; based in Richmond, VA
 - The nation's 1st **competitive social venture.**
 - **All of our profits**, and significant consulting services, go directly to our charitable community partners.
-



Impact Makers

PROFESSIONAL SERVICES – COMMUNITY IMPACT

Project Management

- Program Management Office (PMO)/Methodology implementations
- Large Project Oversight – Outsourced Program/Project Management
- Lean/Agile and Kanban Methodology Consulting
- Independent Verification & Validation (IV&V) - Government-funded project review

Management Consulting

- Business Process Improvement
- Strategic Market Assessments
- Product Development

Healthcare Services

- Health Information Technology - Health Information Exchanges (HIEs)/Electronic Medical Records
 - Medical Management - Program & technical support for healthcare payers & employee groups, with a focus on Disease/Case Management
-



Impact Makers

PROFESSIONAL SERVICES – COMMUNITY IMPACT

Impact Makers is profit-driven, competes in the free-market, and, by corporate charter, is designed to **transform economic value into social value** for our community, rather than shareholders.

Impact Makers is innovative and unique, in that we:

- Provide professional services at market prices
 - Compete with other firms to win business
 - Pay market salaries to employees
 - Have a volunteer Board of Directors and books open to the public
 - **Contribute strategic consulting and profits to charity partners**
-



Impact to Date

- **Rx Partnership** provides surplus pharmaceuticals to the free clinic system across Virginia.
 - Over the past several years, Impact Makers has contributed more than \$80,000 and 400 hours of consulting services.
 - This donation has enabled Rx Partnership to provide \$2.75 million in free medications to more than 900 families in Virginia.
 - **CHIP/Family Lifeline** provides primary and secondary prevention services to pregnant women and families with young children.
 - Impact Makers contributes profits monthly and is leasing extra office space in one of CHIP's Richmond offices.
 - Also providing ongoing pro bono consulting support.
 - **In 2012, Impact Makers contributed or committed a total of \$76,000 in direct, unrestricted financial support and over 200 hour of pro bono consulting services to our charity partners.**
-

The Problem

**Government and nonprofit sector are necessary,
but insufficient.**

The Revelation

**We must harness the power of business
to address society's greatest challenges**

Historic Opportunity

A new sector of the economy is emerging:

- *Consumers*: 60 million Conscious Consumers
 - *Investors*: \$2.7 trillion in Socially Responsible Investments
 - *Business*: 50,000+ Sustainable Businesses
-

The Problem

Lack of Infrastructure for social businesses

- Unsupportive corporate law
 - No standards
 - Lack of capital
-

What is B Lab doing?

B Lab is a 501(c)3 non-profit with the mission to:

Harness the power of business to solve social and environmental problems

Initiative 1:

Set the standard:

Build a community of

Certified B Corporations



Initiative 2:

Create new corporate
form and supportive
public policies



Initiative 3:

Drive capital to impact investments
through use of GIIRS

What is a B Corporation?

Certified B Corporations use the power of business to solve social and environmental problems

Unlike traditional businesses, B Corps must:

- Meet comprehensive and transparent social and environmental performance standards
- Meet higher legal accountability standards
- Build business constituency for public policies that support sustainable business

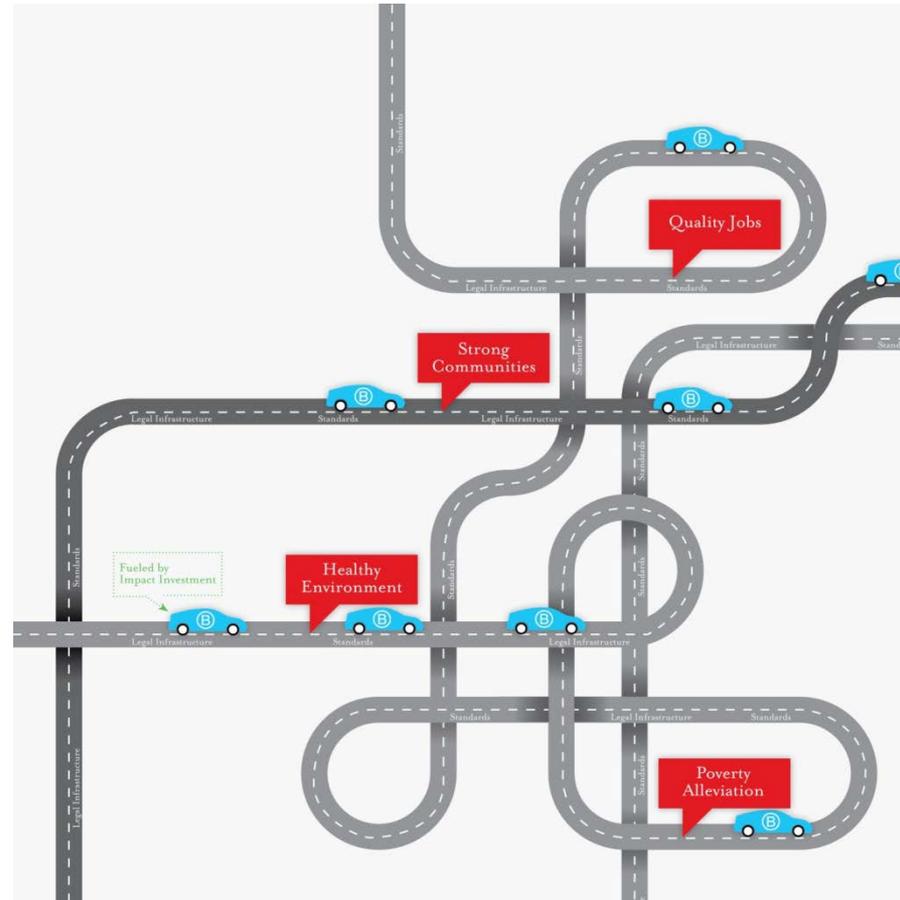
A Better way to do Business.

Learn more.

How does a company become certified?

To become certified a company must:

1. Earn a minimum score of 80 (out of 200 available points) on the B Impact Assessment
2. Adopt the B Corp Legal Framework to bake the mission of the company into its legal DNA
3. Sign the Declaration of Interdependence and B Corp term sheet



Performance Standards – The B Impact Assessment

Certified Corporation®

About B Lab | Contact Us

What is a B Corp? ▾ Become a B Corp ▾ B Corp Community ▾ B Corp Services ▾ News & Media ▾

Take the B Impact Assessment

The B Impact Assessment is a **free**, **useful**, and **confidential** management tool to:

1. Assess your company's overall social and environmental performance, and
2. Improve your performance using our free Best Practices Guides embedded throughout the Assessment.

To learn more about the assessment before you begin, [click here](#)>>

[Existing user login.](#)

If you have any questions, please email us at thelab@bcorporation.net or call +1-610-296-8283.

Get Started

First Name

Last Name

Email

Confirm Email

Company

Phone Number

The following questions will determine which track/version of the assessment your company receives.

The B Impact Assessment is:

- Comprehensive – evaluates impact in terms of accountability, employees, consumers, community and environment
- Adaptable - metrics tailored to industry and company size
- Transparent – criteria and weightings made transparent
- Dynamic – new survey created every 2 years incorporating community feedback
- Independent – developed by third-party Standards Advisory Council

Significant Momentum

610+ B Corporations Diverse & growing community of businesses

Financial Services



Consumer Products



Business Services



International Development



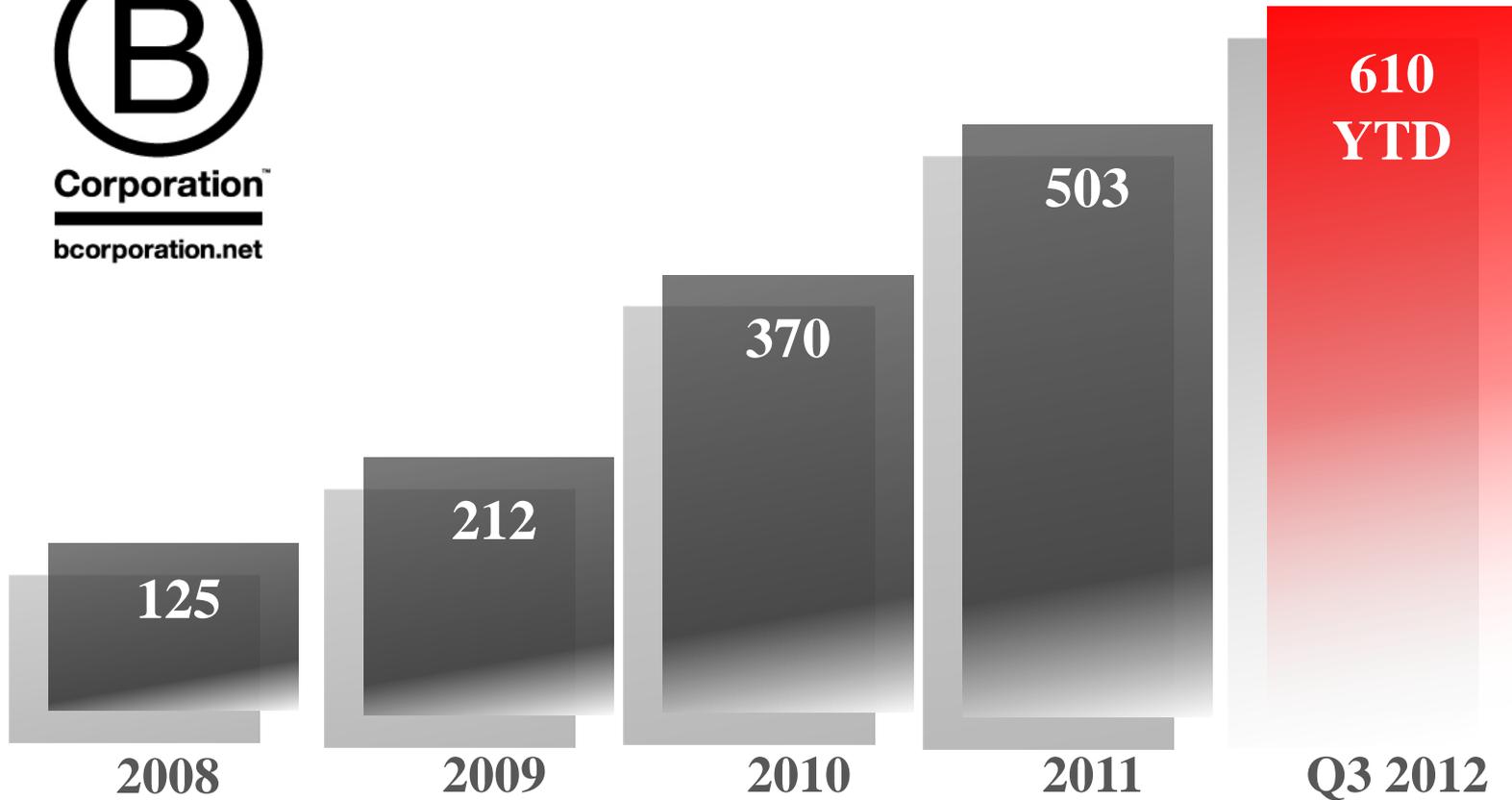
State of the B Corp Community: We're growing...

Certified



Corporation™

bcorporation.net



Who are the B Corporations?

610 Companies

60 industries

40 states and **6** countries

\$3 billion in revenues

\$6 billion in AUM

method.
people against dirty.

CASCADE
engineering

FREELANCERS
INSURANCE COMPANY

Virginia Community Capital
A source of financing for community and economic development

newresourcebank

patagonia

preserve
Nothing wasted. Everything gained.™

TRILLIUM
ASSET MANAGEMENT™

SOUTHERN ENERGY
MANAGEMENT
ENERGY EFFICIENCY & SOLAR POWER

seventh GENERATION

NEW LEAF
PAPER®

dansko

Ogden
publications

KING ARTHUR FLOUR

+SCS
SCIENTIFIC CERTIFICATION SYSTEMS

Impact Makers
PROFESSIONAL SERVICES - COMMUNITY IMPACT

the change we seek™

B Corporations - Legislation - Impact Investing

And we're going global...



15
Countries

6
Continents

1
Unifying Goal

77 B Corps (12%) outside the U.S.

42 Canada **23** Central/South America **5** Asia **2** Europe **3** Africa **2**
Australia

More people are taking notice

265 press hits in 2011
161 B Corps mentioned

Forbes

**THE
Nation.**

**Bloomberg
Businessweek**

The New York Times

**PBS
NEWS
HOUR**

**THE
HUFFINGTON
POST**

**CBS
NEWS**

Inc.

**The
Economist**

Entrepreneur

B Corps are recognized for their impact AND their growth

27 B Corps named to the 2012 Inc 500/5000

8 B Corps named to Bloomberg Businessweek's America's Most Promising Entrepreneurs



SEARCH THE LIST [More options](#) ▾

2012 Certified B Corporations

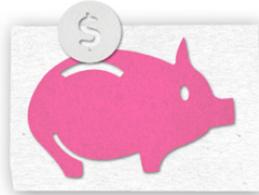
RANK	COMPANY NAME	3-YEAR % GROWTH	REVENUE (Millions)	STATE
63	Plum Organics	4,056%	\$38.4 million	CA
206	HappyFamily Brands	1,772%	\$34.7 million	NY
301	Revolution Foods	1,239%	\$36 million	CA
360	Impact Makers	1,030%	\$3.2 million	VA
570	Clean Currents	649%	\$3.2 million	MD
836	Peeled Snacks	409%	\$2.8 million	NY
1083	Sustainable Harvest	292%	\$78.6 million	OR
1424	Relevance	212%	\$7.9 million	NC
1497	Alter Eco	199%	\$4.4 million	CA
1673	Bamboo Sushi	173%	\$2.1 million	OR
1683	Dimagi	172%	\$2.5 million	MA
2022	Better World Books	132%	\$57.3 million	GA
2158	Audacious Inquiry	120%	\$3.5 million	MD
2627	Scientific Certification Systems	91%	\$18.5 million	CA
2651	World Centric	89%	\$11.7 million	CA
2913	Context Travel	77%	\$3.5 million	PA
3116	Bristlecone Advisors	68%	\$3.1 million	WA
3131	Third Sun Solar	67%	\$6.2 million	OH
3200	InterSchola	64%	\$3.2 million	CA
3672	Parties That Cook	47%	\$2.1 million	CA
3688	National Cooperative Grocers Association	10%	\$45.5 million	IL



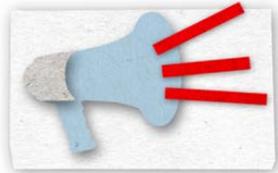
467 press hits/**189** B Corps 2012 YTD
(265/161 in all 2011)

What is the value of being a B Corp?

- Differentiate brand



- Maintain mission



- Save money

- Generate press

- Build Business

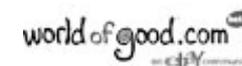


- Improve and benchmark performance



Increasing Adoption

- 4000+ Companies
to measure performance
- 40 Financial Institutions
to rate investments
- 5 Business Associations
for membership requirements
- Other Govt's
for tax, investment preferences
- Other Organizations
for awards, listings, etc



What is B Lab doing?

B Lab is a 501(c)3 non-profit with the mission to:

Harness the power of business to solve social and environmental problems

Initiative 1:

Set the standard:

Build a community of

Certified B Corporations



Initiative 2:

**Create new
corporate form and
supportive public
policies**



Initiative 3:

Drive capital to impact investments
through use of GIIRS

Legal Standards – The B Corp Legal Framework

B Corps amend their Articles of Incorporation, requiring them to consider the impact of decisions not only on shareholders but also on stakeholders

Why?

Current corporate law makes it difficult for businesses to take worker, community, and environmental interests into consideration when making decisions.

What are the benefits?

- Gives **legal permission and protection** to officers and directors to consider all stakeholders, not just shareholders
- Creates **additional rights for shareholders** to hold directors and officers accountable to these interests
- **Limits these expanded rights to shareholders exclusively** -- non-shareholders are explicitly not empowered with a new right of action

**A new kind of corporation
for a new economy.**



B Corps are a powerful constituency for systemic change

Changing the Rules of the Game

Creating a New Kind of Corporation for a New Economy

12 Unanimous Votes, 93% legislators voted Yes

91,384 Total Petition Signers

Sign the Petition

11 LAWS PASSED

16 WORKING ON IT



100+ registered benefit corporations

Newest:

MA

SC

IL

LA

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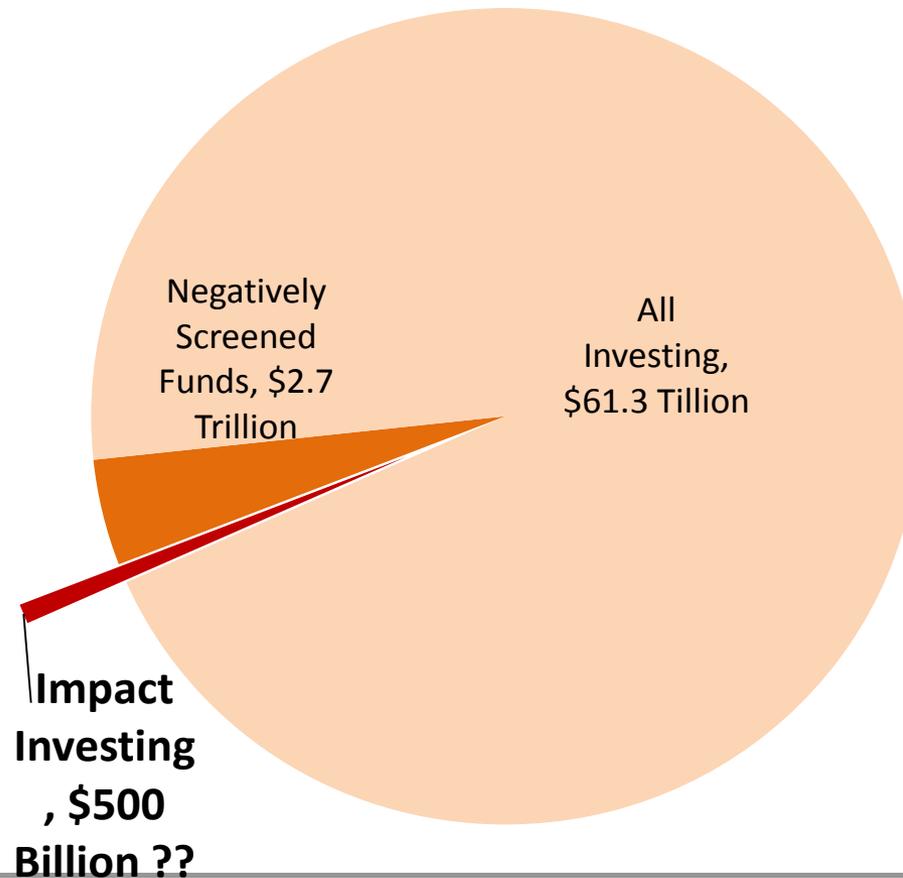


Initiative 3:

**Drive capital to impact investments
through use of GIIRS**



Initiative 3: Drive Capital



Initiative 3: Drive Capital

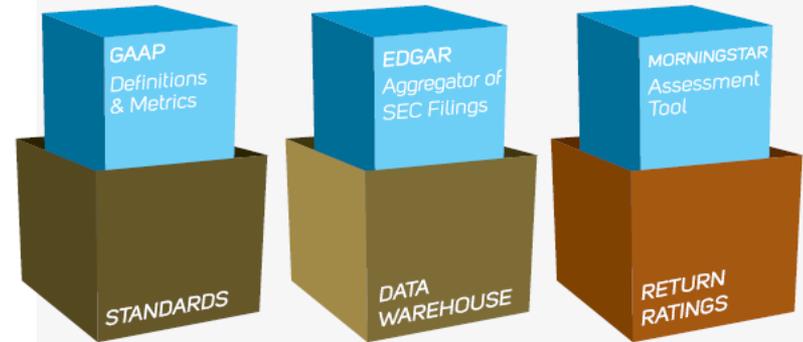
- ▶ Rates social and environmental impact of companies and funds
- ▶ Provides investors with comparable, customizable, verified data on impact
- ▶ Built on B Impact Rating System platform
- ▶ Key Support By:

Deloitte.



THE
ROCKEFELLER
FOUNDATION

Infrastructure for **Financial** Reporting



Infrastructure for **Impact** Reporting



64 GIIRS Rated Impact Investing Funds

investeco
CAPITAL

MUREX
INVESTMENTS

TBL CAPITAL
Serving People Planet & Profits

EcoEnterprises Fund
Investing in Nature & Communities

MV MICROVEST
INVESTING IN ONE WORLD

LEOPARD
CAPITAL

SJF
VENTURES

RSF
Capital Management

citylight
CITY LIGHT EVERYDAY REVOLUTIONS

renewal2
INVESTMENT FUND

E+Co
ENERGY THROUGH ENTERPRISE

SUSTAINVC
STRONG CAPITAL. SOLID. SUSTAINABLE. FUTURE.

SATORI CAPITAL

DEVELOPING
WORLD
MARKETS

GOOD
CAPITAL

INRETURN
CAPITAL

caspian

IMPACT
INVESTMENT
PARTNERS

WILLOW IMPACT
INVESTORS

MERGENCE
INVESTMENT MANAGERS

MINDFUL INVESTORS

CORE
INNOVATION
CAPITAL

equilibrium capital

BAMBOO
FINANCE

SEAF

AGORA
PARTNERSHIPS

African Agricultural
Capital

Business
PARTNERS
Investing in Entrepreneurs

The Bellwether
microfinance fund

equilibrium capital

GRAYGHOST VENTURES

CONSERVATION
INTERNATIONAL

GRASSROOTS CAPITAL

IGNIA

agriVie
AFRICA AGRIBUSINESS INVESTMENTS

GREENMONT
CAPITAL PARTNERS

CMI

acumen
FUND

rootcapital
FINANCE FOR COMMUNITIES AND CONSERVATION

New Ventures
Entrepreneurship. Development. Changing Portfolios.

alphamundi

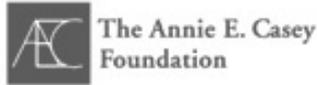
FANISI

VOX CAPITAL

PACIFIC
COMMUNITY VENTURES

63 Funds • \$2.5+ Billion AUM • 50 Countries

21 Pioneer Investors



And we released the Beta GIIRS Benchmarking Report

GIIRS RATINGS & ANALYTICS
for Impact Investing

B Lab

Q4 2011 Snapshot
Beta Version

Analytics & Benchmarking

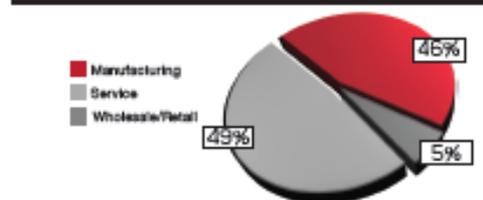
GIIRS Ratings & Analytics is a wholly-owned subsidiary of B Lab, a non-profit organization. B Lab is dedicated to building a new sector of the economy that uses the power of business to solve social and environmental problems. GIIRS Impact Ratings provide investors for the first time with a comprehensive, comparable, and third party verified assessment of companies' and funds' social and environmental impact. The GIIRS Analytics platform gives investors uniquely powerful tools to analyze aggregated, verified and comparable data on the social and environmental impact of companies and funds across geography, sector, organizational maturity, and size.

DATA UNIVERSE

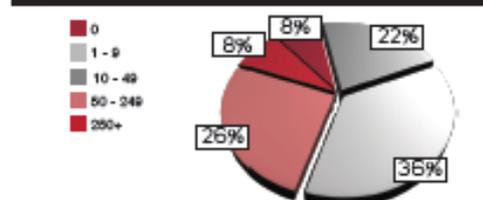
	Rated	Rating In Process	In Queue	Total
Companies	88	142	54	284
Funds	13	27	7	47

As of December 1, 2011

EMERGING / FRONTIER MARKET COMPANIES BY SECTOR



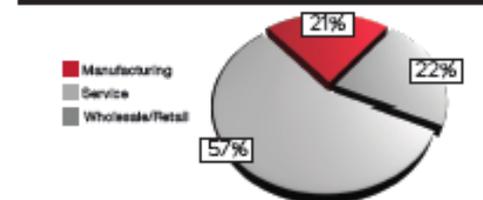
RATED COMPANIES BY NUMBER OF EMPLOYEES



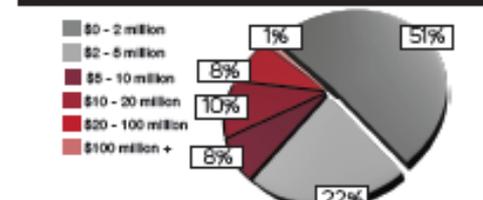
OVERALL SCORES BY MARKET

	Developed Markets	Emerging/ Frontier Markets	Total/Both Markets
Max	132	168	168
Min	28	50	28
Median	77	106	83
Average	79	104	90

DEVELOPED MARKET COMPANIES BY SECTOR



RATED COMPANIES BY ANNUAL REVENUE



First GIIRS Benchmarking Report released in mid-February

The movement is gaining momentum...

Companies

610+ companies
~15,000 employees



Building a
New Sector
of the Economy

Investors

GIIRS Ratings and Analytics
helping drive >\$3 billion in
capital to impact

Policymakers

11 states with new corporate
form – the Benefit
Corporation

Media

Over 450 press appearances in
2012 in several major
publications

Partners

Service Partners generating over \$2
million in annually recurring savings

Thank you

QUESTIONS?

