



HOW TO CREATE AND POST AN ANNUAL BENEFIT REPORT

INTRODUCTION

When you become a benefit corporation, you must follow certain standards identified by your Secretary of State's office to fulfill the state's requirements. One of these requirements is to create and post publicly an annual "Benefit Report." You'll find each state varies but the basic information to be reported revolves around business efforts to demonstrate social impact or "public good."

Here's the specific language regarding the benefit company* annual report requirement in Oregon where our company is located.

Prepare an annual report identifying:

- The actions and methods used to provide a general or specific benefit to the public
- Any circumstances that hindered or prevented a benefit
- How well the benefit company met or exceeded the third-party standard

A "specific public benefit" may include the following:

- Assisting low-income or underserved individuals or communities with products or services
- Promoting economic opportunity for underserved individuals or communities
- Preserving the environment
- Improving community health, particularly among vulnerable populations
- Promoting equity, including enhanced education and awareness
- Accomplishing any other particular benefit for society or the environment
- Assisting organizations that provide the above

It is important to create a simple way to track these efforts throughout the year. An annual Benefit Report can be created using this documentation and then posting publicly, for example, on your company's website.

(*Note: Most states refer to this structure as the "benefit corporation" versus Oregon's "benefit company." See your Secretary of State's website for specific annual report requirements.)

HOW TO STRUCTURE THE ANNUAL BENEFIT REPORT

We use a simple structure for our clients in developing and creating their annual Benefit Report.

- Introduction describing your organization including when it became a certified benefit company and who the third-party certifier is
- Mission or Manifesto describing what your company stands for, what it believes in and what practices it follows
- Summary Review of Year describing highlights of public benefit efforts for the year



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- Key Metrics providing data points meeting third-party standards in regard to people, planet and profit
- Coming Year describing areas to focus and improve upon
- Closing providing a quick re-cap of the efforts for the year

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Demonstrate authentic commitment to the principles of benefit companies. Share real efforts to make an impact on people and planet. Don't just use words but describe real actions. For example, you can talk about community engagement, demonstrating empathy, showing compassion and promoting social justice.

Communicate simply by keeping your audience in mind. If you're like most businesses, you have internal and external stakeholders. This includes employees, customers, prospects and community members.

Here are some tips to keep clarity in your writing.

- Your sentences should be short and simple (10 - 11 words or shorter is best).
- Your language needs to be jargon-free, e.g. stay away from industry terms.
- Your paragraphs should be just 3-4 sentences long for easier reading and scanning.

Graphics should follow suit. Do not use complicated or complex visuals. Make sure your illustration or images are clear and easy-to-understand. Resist all other embellishment.

If you use your company branding for your report (we recommend it), just make sure it's used sparingly. It's another way to keep your report "simple" and clear.

HOW TO EVALUATE YOUR BENEFIT REPORT

We suggest asking a few good communicators to review your benefit report before publishing it. Our recommendation is to use at least two people, one from inside your organization and one from outside, to read through the report.

Ask them to evaluate the effectiveness of your report by answering two questions:

1. Does the content clearly and easily explain your organization's efforts as a benefit company?
2. Does every element (words and graphics) move the reader along without requiring her to leave the document and call on Google Search or Wikipedia?

If they both answer an affirmative "yes" to these questions, you're ready to create your PDF document for public viewing. If either one gives you a "no," you need to go back and get things right.

HOW TO POST THE BENEFIT REPORT PUBLICLY

The Benefit Company laws of incorporation require that you share and post the Benefit Report in a public venue. Usually, the easiest and most logical place to post is on your company website. You can set it up as a tab on your home page, or at the bottom of your home page. Make sure it is in a place easily accessible and not hidden.



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If you do not have a website, there are other ways to share the report. You can post on a bulletin board at your work site location or create a printed piece that can be distributed.

What's critical to remember is the Benefit Report is a public document. It shows you sincerely practice what you preach! You stand out as a business that contributes toward a public benefit in addition to making a profit.

QUESTIONS AND MORE INFORMATION

Should you have questions about any of the content in this document, please do not hesitate to contact us at tom@benefitcorporationsforgood.com or maryanne@benefitcorporationsforgood.com

For more effective communication tips for your benefit company, please go to our [Blog](#).



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