

Annual Benefit Report
of
Syndicate for Human Equity, Inc.,
d/b/a
“The SHE Mark”

a benefit corporation organized under New York Business Corporation Law section 1708

Fiscal Year 2021
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Letter from the CEOs

Dear Reader,

It is with great pride and passion that I (and my Co-CEO, Ilana Broad) welcome you to the Syndicate for Human Equity, Inc.'s third annual Benefit Statement. This last year, we saw the world and workplace striving to reach a "new normal", and thankfully, we saw The SHE Mark's (formerly SHE) mission and vision become more relevant and necessary than ever before. The workplace has unfortunately continued to see a dramatic drop in women's representation, however, the growing interest in and support of raising women up - as founders, leaders, mothers, political figures, and more - has been promising for the future of The SHE Mark, and the world.

In our third year of operation, The SHE Mark implemented many new initiatives, programs, and policies in furtherance of our goals as a Benefit Corporation, which you can read about in detail below. Some personal favorites include becoming certified as a 1% for the Planet member, employing our first paid intern, implementing a 4-day workweek, and expanding our certifications outside of the United States - officially taking us international. We have also maintained and updated our commitments in line with our values of integrity, inclusivity, humanity, and sustainability. The efforts we make to be conscientious of those values in every business decision have been extremely rewarding and are reflective of the future of work that we wish to see more of across businesses and industries.

Our 2021 B Impact Assessment saw an almost 5 point increase from 2020, bringing us closer to Certified B Corp status than ever before! While the increase is not as impressive as last year, that is in large part due to the expansion of our operations and offerings which opens us up to greater responsibility and impact as a business; a challenge we are ready to take on.

The SHE Mark is proud of the progress we'd made year over year and is particularly excited to continue growing our business and SHE Certified Community with the addition of new marks, benefits, business operations, and partnerships in the year to come. Gender equality means business, and we won't stop until we reach parity in the economy, workplace, and the world.

Prosperity through equality.

Sincerely,
Sterling Champion & Ilana Broad

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Introduction

Who are we

The Syndicate for Human Equity, Inc., or The SHE Mark™, is a benefit corporation working to make gender equality an everyone issue, one SHE Certified™ business at a time. The SHE Mark certifies and celebrates companies that are currently living by the gender equal future we imagine. Through certification, The SHE Mark is creating a means for companies to verify and transparently communicate their business practices with consumers, and for consumers to make educated purchasing decisions based on their values, ultimately expanding diversity in our economy. The SHE Mark envisions a gender equal future, where inequality and bias are issues we can address and impact as a community, moving the world closer to a more ethical economy that benefits all people.

What's in this report

An Annual Benefit Statement, required of all Benefit Corporations registered in New York under Business Corporation Law section 1708, is a collection of information regarding a corporation's general and specific public benefits. Benefit Corporations are different from traditional corporations in that the Benefit Corporation's "best interests" expressly include their positive impacts on workers, the community, the environment, and society overall, in addition to their own profitability. Each year, Benefit Corporations must explain what specific public benefits they are working towards as included in their business mission, and what, if any, general public benefits they accomplish or are working towards in the overall way they do business.

This report will lay out the ways in which The SHE Mark™ works to create our specific public benefit, and the ways in which we embody a more general public benefit, in accordance with the requirements of New York State law. First, you will find our mission statement and core values, which represent the guiding lines by which we chart our course.

Thereafter, you will find our specific benefit statement, as registered with the New York State Department of State, Division of Corporations, along with an outline of circumstances that have hindered our accomplishment of this benefit, and an assessment of our performance relative to our specific and general public benefit goals.

Finally, you will find an explanation of the independent, third-party standard by which we have chosen to judge our performance, as well as our specific goals for the next year.

Mission statement

We will only reach parity if we all work together. That is why the Syndicate for Human Equity, Inc., or The SHE Mark, is on a mission to make gender equality an everyone issue. The SHE Mark verifies the work being done across industries to prioritize (at least) equal inclusion of all women in the course of business and makes it easier to communicate those efforts using our 3 certification marks - SHERuns™, SHEmakes™, SHEowns™. Our SHE Marks™ aim to serve both businesses and consumers in an effort to further the movement towards true gender parity in the workplace.

The SHE Mark recognizes the collaborative effort needed at all levels to realize gender equality in the economy and around the world — that's why our standards apply to companies with at least 50%

representation of women and/or gender diverse individuals in their ranks. The SHE Mark knows that we can only grow the pie when all of us are united, making space for all women in the economy to work alongside our male champions.

Through certification, our SHE Certified™ businesses can finally be recognized and commended for their work instituting gender equality in the workplace, and can join a growing community of SHE Certified businesses who share similar values. Using the standards our SHE Marks convey, The SHE Mark will educate and empower consumers to leverage their wallet as an extension of their values, harnessing their purchasing power to impact the global economy.

Our SHE Marks indicate that we are committed to a gender equal future, and we see the importance and impact of being the change we wish to see in the world. The SHE Mark envisions a more inclusive future where a SHE Mark is the norm, and where people of all genders and backgrounds value gender equity and collaborate to sustain gender equality in the workplace. We welcome you to our movement.

The SHE Mark's Core Values

Integrity. The SHE Mark is dedicated to building and maintaining trust and validity in our standards for the SHE Marks.

Inclusivity. The SHE Mark is determined to support, include, and appreciate *all* women at different levels of the workforce, because every effort matters.

Humanity. The SHE Mark is devoted to seeing and honoring the individual human being in everyone, through connection, recognition, and representation.

Sustainability. The SHE Mark is driven to have a positive and lasting impact on both the planet and the economy, because our collective future depends on it.

Third Party Standard: B Impact Assessment, by B Lab

The B Impact Assessment is a “tool a company can use to measure its impact on its workers, community, and environment, and customers.” In taking the B Impact Assessment, a company can determine its public impact across five categories: governance, workers, community, environment, and customers.

The B Impact Assessment is scored out of 200 possible “points,” which are awarded in different values based upon positive answers to a series of many questions. As B Lab explains, “[t]he Assessment comprehensively covers the impact of a business on all of its stakeholders, including its workers, suppliers, community, and the environment. The Assessment also captures best practices regarding mission, measurement, and governance.” More information about B Lab’s B Impact Assessment can be found [here](#).

We chose the B Impact Assessment as our third party standard because we found it to be the most thorough third party determination of a company’s general public benefit. Additionally, we reviewed the processes by which B Lab amends existing B Impact Assessment standards and scoring, and we found it to be the most robust option available, including stakeholder engagement, multi-level review and

approval, transparency and public comment periods, and even formal processes to ensure that internal review and revision is completed by a team made up of people of diverse backgrounds and life experiences.

To summarize, we chose B Lab as our third party standard because we feel that their review comprehensively covers corporate action in line with values with which we agree, and also because we have found that B Lab embodies those values, as well.

It is worth noting that B Lab has notified us of their intent to launch an updated set of performance requirements to accomplish B Corp certification. While we aren't currently using the B Impact Analysis to accomplish B Corp certification, we anticipate that some of the questions in the B Impact Analysis may change. We intend to continue relying on this third party standard, and hope to add additional review through other third parties to further strengthen our benefit analysis and impact in light of any changes to the B Impact Analysis.

Our Benefit Statement

As a Benefit Corporation registered with the State of New York, our Articles of Incorporation specify our specific public benefit as, “promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business.” We chose to phrase our specific public benefit in this way so as to keep our goals as open ended as the State of New York would allow as we solidify our public offerings and gain a better understanding of our potential impact.

The SHE Mark is working to highlight and honor businesses that meet our objective standards by verifying their claims of gender equality, and providing an easy avenue for consumers to support brands in accordance with their feminist values. In time, we believe that consumers’ increased recognition of and spending with SHE Certified™ businesses will drive growth for these companies, granting them greater market share, increased revenues and overall impact and influence on business practice norms, pushing them towards prioritizing egalitarianism.

It will take years of balancing certification flow with consumer education to see the direct impact of utilizing our SHE Marks. As such, the SHE Mark makes no claim as to the accomplishment of our specific public benefit in this last year. We are working to expand our community of SHE Certified companies, and we intend to offer them ongoing surveys which will allow us to track material key performance indicators, such as social media following, consumer loyalty, and more. The current barrier to accomplishing and even measuring our specific public benefit is time - we need more time to collect more information and compare it against past-collected data sets.

The SHE Mark is also working to pursue our more general public benefit of reaching broader global economic gender equality as we grow. The SHE Mark believes strongly that we must be the change we wish to see in the world - we have built that ethos into our operations plans. We have seen research indicating that economic opportunity for women positively impacts the economy for people of all genders, and we look forward to reaching a point where we can conduct such research on our own as regards SHE Certified companies, specifically. Again, we are limited by the amount of time we have been in operation, as well as by the size of our current SHE Certified Community (the “SCC”). As the SCC grows and our community offerings grow, we hope to collect and share relevant data on the connection between our certification suite and global economic gender equality and wellbeing, generally.

In this Benefit Statement, we will go further in depth into the extent to which we currently accomplish these benefits, and the ways in which we plan to accomplish more of these goals as we grow.

What We’ve Implemented in the Past Year

There are many ways in which we’ve implemented consideration of our impact on stakeholders in our operations in this past year and some change. Here are a few specific examples that we’re proud of:

- The SHE Mark has updated our DEI statement to be titled the JEDI statement to reflect the need for *justice* for historically excluded populations, including AAPI and indigenous peoples;
- The SHE Mark hired our first intern and paid them hourly;
- The SHE Mark finalized 1% For the Planet certification alongside operations designed to ensure we maintain qualification therefor;
- Our company partnered with SOCAP and the Women Future Conference to promote conscious capitalism;

- We implemented a four-day workweek, which allows our employees to work 80% of what was previously considered full time for the same pay;
- We updated our cookies consent to comply with new requirements and in the interest of giving website users more agency over our access to and use of their data;
- We are proud to have planted several trees around the Americas via [One Tree Planted](#);
- We expanded our website-focused accessibility strategy to include alt captions, properly formatted headers and spacers, and more;
- We've begun formulating a referral program with an option to donate commissions to a not-for-profit organization, offering a choice from four value-aligned organizations;
- We implemented a company-wide sponsored event, through which we engaged a local minority-owned small business to teach and share a non-work-related experience with all employees;
- Additionally, we recommended and offered paid opportunities to all employees to volunteer how they saw fit, with most employees choosing to pick up trash disposed of improperly in public parks nearby our homes;
- We've begun ideating our forthcoming work-from-home sustainability policy and plan;
- The SHE Mark continues to mail through the USPS and international public mailing agencies; and
- The SHE Mark regularly relies on the [Women Who Create](#) database to look for contractors that are women of color.

The SHE Mark's 2020 B Impact Assessment

Out of a potential 200 points, we scored 57.4 points (an increase of 4.8 points over last year), apportioned across five categories as follows:

Governance	15.3	+1.1
Workers	6.6	-7.3
Community	18.9	-0.3
Environment	0	-3.2
Customers	16.4	+14.5

A quick note before we get into the details: while we have gone up in our overall score year-over-year - a trend we are continuing from past years - we see some interesting adjustments in our categorical scores, some of which can broadly be explained as follows: as we hired an intern for the first time, finalized founders' equity, and prepare to bring in additional capital, we have opened up new areas of our company that will require ongoing work and updates to make them as positively impactful as possible. Put simply, we are growing and expanding, leaving new areas of business in which we have more to learn in regards to stakeholder consideration. This last year has been about setting ourselves up for growth and expansion, and while we are proud of the impact-focused work we currently do, we are also excited to learn more as we begin this next phase of growth. In this next section, we will delve further into what exactly we do at The SHE Mark to ensure we're properly considering our stakeholders equally to our profit, broken down by B-Impact Analysis category:

Governance

- The SHE Mark operates with a formal, written corporate mission and vision statements that contain commitments to positive social impact:
 - Our vision statement: The SHE Mark envisions a more inclusive gender equal future, where our SHE Marks increase the market-share of women-owned and run businesses and encourages other businesses to strive for gender equality.
 - Our mission statement: The SHE Mark is on a mission to make gender equality an everyone issue by empowering consumers to build a more inclusive economy.
- The SHE Mark regards our impact and the expansion of our direct stakeholder community as a core measurement of success. In other words, the more businesses that have the opportunity to highlight themselves in the market and grow as a result, the more successful is the company;
- The SHE Mark regularly updates and publishes publicly accessible information regarding our current social responsibility practices and our plans to implement further policies in consideration of our impact on the world. These include our annual Benefit Statement, an Accessibility Statement, JEDI Commitment, and Sustainability Commitment, each of which can be found on our website.
- The Board of Directors, while currently only made up of The SHE Mark's co-founders, receives regular updates regarding The SHE Mark's social and environmental impact. Specifically, this Benefit Report is shared throughout the company, as well as publicly;
 - Internally, as the company expands our Board of Directors in the future, our plans include continuing these methods of transparency;
- The SHE Mark has created and formalized mechanisms to engage traditionally excluded stakeholder sub-groups and demographics;

- The SHE Mark measures our progress towards the goal of expanding the representation of these stakeholders in our community of certified companies and with regards to the companies and people The SHE Mark hires;
- The company's highest level of corporate oversight is by the current owners:
 - Internal management of the company's governance is based on an organizational chart outlining the reporting structure of the company, and The SHE Mark holds regular team meetings to plan strategy and make operational decisions;
- Per this report, The SHE Mark publicly shares information on our social and environmental performance annually, presenting this information in a formal report that includes comparisons over time, and relying on a comprehensive third party standard (The B Impact Assessment) to judge our accomplishments and progress; and
- The SHE Mark is a registered Benefit Corporation, meaning the company has adopted a specific governance structure requiring the company to consider stakeholder impact alongside profit, and to publish and preserve its mission.

Workers

- The SHE Mark offers all current employees ownership opportunities, provided that all current employees are also executives;
- The SHE Mark reimburses employees for non-career-specific skills training as well as professional development opportunities, and our current participation rate is 100%;
- The SHE Mark has processes in place to allow employees to give operational or strategic feedback; and
- The SHE Mark allows employees to operate with self-management principles, setting work product goals as opposed to deadlines and required office hours.

Community

- The SHE Mark is operated and owned by one white woman and one person who identifies as an ethnic minority;
 - Additionally, one of our co-founders identifies as Queer;
- The SHE Mark has set diversity improvement goals regarding new hires and contractors. Additionally, our team regularly reviews job descriptions and contractor postings to ensure they are inclusive and equitable:
 - The SHE Mark measures our diversity and inclusion with regards to socioeconomic status, race, ethnicity, gender, age, and ability;
 - The SHE Mark tracks diversity of ownership amongst suppliers and contractors;
 - All of our materials purchased in the last calendar year were purchased from a gender equally co-owned company;
 - The SHE Mark screens suppliers for social and environmental impact (including beyond what is required by regulations), good governance, third-party certifications, and demographics of owners and employees. The company plans to implement a submission form with standardized questions covering this in the next calendar year;
- 31% of The SHE Mark's licensees have sustainability-focused certifications as well as their SHE Certification, such as 1% For the Planet
- 23% of The SHE Mark's licensees are queer-owned businesses;
- Our owners and employees all work remotely, with systems in place to allow them to work from almost any time zone, so our "local impact" focus tends to surround materials we purchase that are shipped to us, and the businesses that sell them;

- The SHE Mark prioritizes buying from businesses within driving distance of each of our co-founders;
- Currently, 100% of The SHE Mark is owned by individuals who would qualify as non-accredited investors;
- More than 20% of our independent suppliers are local to the company's headquarters or relevant facilities;
- More than 40% of our independent suppliers and contractors are owned by women;
- The SHE Mark works towards greater civic engagement by creating space for employees to complete community service, and by scheduling community service days for all employees;
- The SHE Mark is 1% For the Planet certified, meaning we have donated at least 1% of this past year's revenues to an environmental not-for-profit organization approved by 1% For the Planet. Much of our monetary donations this past year went to One Tree Planted. Additionally, we've donated the application fees to other approved not-for-profit organizations, which counts as "in-kind" donations under the 1% For the Planet certification requirements; and
- Additionally, The SHE Mark offers discounted applications to underserved groups, namely BIPOC-owned and LGBTQ+-owned companies.

Environment

- All of The SHE Mark's employees and most of our contractors work from home, which has been shown to reduce carbon emissions; and
- The SHE Mark has policies regarding environmentally-preferred practices to implement in employees' home offices including, but not limited to, recycling appropriately, avoiding unnecessary printing, and managing energy use. The company plans to implement a formal home-office sustainability policy in this coming year.

Customers

- The SHE Mark is working to build greater success and revenue for underserved enterprises - namely women-led businesses - as well as greater social impact for those businesses. Put simply and in B Impact Assessment language, our marks and their use directly address a social and economic problem;
- The SHE Mark's offerings directly support organizations that support "underserved populations," namely we highlight and uplift (and provide other benefits to) companies that hire and promote women and gender diverse people;
- The SHE Mark strictly manages privacy and security of customer data:
 - The SHE Mark requests that applicants de-identify all information submitted in their application to protect their employees' privacy;
 - The SHE Mark has a formal and publicly-available privacy policy via our website;
 - The SHE Mark allows individual site users to customize cookie collection via our website;
 - The SHE Mark ensures that users have the opportunity to learn what information is collected, how long it's preserved, how it's used, and whether or not it's shared with other entities;
 - The SHE Mark's email list and marketing strategies are GDPR and CCPA compliant; and
- The SHE Mark monitors customer outcomes and incorporates customer feedback into operations.

Our Marks and their Impact on Businesses

Certification marks offer individuals the opportunity to “vote with their wallet,” so to speak. This means that a consumer can use the information shared with them via a certification visible at point of purchase to direct their spending towards entities that share a customer’s values. Certifications do much more for the economy than simply inform consumers: they build trust and they incentivize intelligent spending.

The best way to positively impact the economy using certification marks is to ensure that the marks being relied on have publicly available and unchanging standards. At The SHE Mark, our three marks’ standards are [published publicly](#), and any changes to the The SHE Mark Program are recorded, dated, and published as well. This means that consumers can trust that they understand what a SHE Mark indicates, and can verify and review those standards at any time.

Additionally, The SHE Mark requires ongoing review during the term of certification in certain instances where a company’s workforce may change during the certification term. For instance, should an applicant company exhibit a higher turnover rate, The SHE Mark may require the submission of updated records in 12-month intervals, and failure to adhere to The SHE Mark’s standards in an updated submission may result in termination of an applicant’s license to use our marks. This ensures the ongoing integrity of our mark suite.

Absent these published and stringent standards, certification systems may have private incentives to adjust their qualifications in favor of their own profitability. In line with our value of integrity, The SHE Mark will never adjust our certification standards in favor of our own profitability. At The SHE Mark, we believe that the efforts detailed in this subsection ensure that consumers and companies alike can trust and rely on our marks when they’re seen in the marketplace, effectively allowing consumers to impact the economy to work towards gender equality.

Our Goals Going Forward

- The SHE Mark would like to incorporate additional third party impact auditing standards for next year’s report, which we hope to continue to engage over time, allowing us to track progress across multiple platforms. In particular, we would like to publish “impact scorecards” to our social media profiles, allowing easy access and review by consumers and increasing our public accountability;
- The SHE Mark hopes to launch an Advisory Board comprised of members with no direct fiduciary duty to the company;
- The SHE Mark hopes to staff a Board of Directors, which will:
 - Review and audit company financials;
 - Review and audit social and environmental impact;
 - Include a representative employee elected by all employees;
- The SHE Mark plans to draft and implement an Employee Handbook, which policies will include (note, much of this list has been taken word-for-word from the B Impact Assessment for this past year):
 - A non-discrimination statement and policy;
 - An anti-harassment policy with reporting mechanisms, processes, and disciplinary procedures;
 - A statement on work hours (specifically formalizing our four-day week);
 - Policies on benefits, training, and leave;
 - Grievance resolution process and an uncomfortable conversations policy;

- Disciplinary procedures;
- A code of ethics;
- A whistleblower policy;
- An internal promotions and hiring for advanced positions policy;
- A neutrality statement regarding workers' right to bargain collectively and freedom of association; and
- Prohibition of child labor and forced or compulsory labor;
- The SHE Mark already collects demographic and locality information from our consultants, and we plan to draft and implement a second part to our consultant survey which will include questions regarding said consultant's impact and stakeholder consideration;
- The SHE Mark works 100% remotely, and in the next year we are working to draft and implement (note, much of this list has been taken word-for-word from the B Impact Assessment for this past year):
 - A written policy encouraging environmentally preferred products and practices in employee virtual offices (e.g. recycling);
 - A list of resources regarding environmental stewardship in home offices (e.g. energy efficiency); and
 - A policy in place for the safe disposal of e-waste and other hazardous materials purchased for employee home offices (e.g. batteries recycling);
- While we currently work to increase economic success, capital access, and social impact for women-led businesses, The SHE Mark hopes in this next year to work towards launching a product that we believe will also increase economic opportunity for underserved populations (sign up for our newsletter via our website to stay informed on new products and releases);
- The SHE Mark currently engages directly with client organizations that currently serve, employ, and promote women, and in the next year we hope to work towards more directly serving the women employed by SHE Certified™ companies;
- The SHE Mark also hopes to grow in this next year sufficient to employ people beyond our co-founders, specifically we aim to create jobs for otherwise chronically underemployed people;
- The SHE Mark hopes to expound upon our current privacy policy (which lays out what information is collected, and how it is used and shared) by providing information regarding for how long we will hold onto certain information;
- In this next year, The SHE Mark plans to begin assessing the outcomes produced for our customers through use of our marks;
- The SHE Mark is working to explicate ethical marketing, advertisement, and customer engagement policies;
- The SHE Mark is working to be explicit in all job descriptions regarding said roles' expectations - including social and environmental impact expectations - as well as including analysis of said impact goals and expectations in employee performance reviews;
- This past year, we trained our intern regarding our company's social and environmental impact consideration, and we hope to include that review in formal employee onboarding;
- The SHE Mark is always striving to be as transparent as possible regarding our business practices, and we hope to continue in that effort as we build our Board of Directors and undertake other new endeavors; and
- As The SHE Mark adds new ways to donate to values-aligned not for profit organizations, we hope to implement more detailed screening processes for said organizations to review representation of historically excluded peoples among other impact considerations.