What is a Certified B Corporation?

Individually, Certified B Corporations (also known as B Corps) meet the highest standards of verified social and environmental performance, public transparency, and legal accountability, and aspire to use the power of markets to solve social and environmental problems.

B Lab, the founder of B Corps, describes this work as a declaration of interdependence. B Lab states:
“We envision a global economy that uses business as a force for good. This economy is comprised of a new type of corporation – the B Corporation – which is purpose-driven and creates benefit for all stakeholders, not just shareholders. As B Corporations and leaders of this emerging economy, we believe:
- We must be the change we seek in the world
- All business ought to be conducted as if people and place matter
- Through products, practices, and profits, businesses should aspire to do no harm and benefit all
- To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.”

The B Impact Assessment is a free tool to assess, compare, and improve social and environmental performance. This assessment helps turn the idea of using business as a force for good into a series of concrete, measurable, actionable steps. The five sections of the survey cover a company's operations and strategy related to governance, workers, community, environment, and the impact of their business model.

Becoming a Certified B Corporation

Meeting and maintain the above requirements results in a company being a Certified B Corp. Each of the following steps is supported by B Lab. Additionally, B Lab acts as a licensing trademark of Certified B Corporations.

1. Take the FREE B Impact Assessment
   a. This is a voluntary third party assessment
   b. A score of at least 80 points results in eligibility to become a Certified B Corporation (follow steps below)
2. Schedule a B Lab Assessment Review and submit supporting documentation (this monetary cost of this step varies by company)
3. Complete the Assessment Review
4. Submit additional documentation (as relevant)
5. Complete the Disclosure Questionnaire
6. Complete Background Checks
7. Receive certification and permission to display the B Corporation trademark
8. Update corporate by-laws and/or articles of incorporation to reflect Certified B Corporation status
Are Certified B Corporations the same as Benefit Corporations?

No. Certified B Corporations are certified by B Lab, a nonprofit organization, using their B Impact Assessment, as stakeholder driven businesses by demonstrating their policies and standards related to governance, workers, communities, environment and customers, and meeting a minimum score of 80 points on the assessment survey. Benefit Corporations are a form of business incorporation in the state where the business is headquartered, and is an alternative to other forms of incorporation, including S Corporations, C Corporations, Limited Liability Companies (LLCs), etc.

Please see the chart below for more information on the differences between Benefit Corporations and Certified B Corporations.

### Comparison of Certified B Corporations and Benefit Corporations

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Certified B Corporations</th>
<th>Benefit Corporations</th>
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</thead>
<tbody>
<tr>
<td>Accountability</td>
<td>Directors are required to consider effects of decisions on shareholders, stakeholders, and officers</td>
<td>Same</td>
</tr>
<tr>
<td>Transparency</td>
<td>Company must publish a public report assessing its overall impact against a third-party standard</td>
<td>Same</td>
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<tr>
<td>Performance</td>
<td>Verified by B Lab</td>
<td>Self-reported</td>
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<tr>
<td>Ongoing verification</td>
<td>Must re-certify every two years</td>
<td>No ongoing verification other than reporting requirements</td>
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<tr>
<td>Support</td>
<td>Access to a portfolio of services and support from B Lab</td>
<td>No formal support from B Lab</td>
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<tr>
<td>Availability</td>
<td>Available to any private business in the world</td>
<td>Available in Idaho and other states that have passed benefit corporation legislation</td>
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<tr>
<td>Fees</td>
<td>Annual B Corp certification fees range from $500 to $25,000 Fees are calculated on a company's annual sales</td>
<td>In Idaho, the filing fee is $100. The form can be found on the Secretary of State website</td>
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Information in this document has been cited in part from https://www.bcorporation.net and the B Corp Handbook.

Do you want to learn more about B Corporations and Benefit Corporations?

The Responsible Business Initiative (RBI) at Boise State University hosts information workshops and training pertaining to benefit corporations at locations across the Treasure Valley.

For more information, please visit the events page at http://cobe.boisestate.edu/RBI