

2020

Public Benefit Report





Jason Sharpe
Co-Owner // CEO

Dear Reader,

We're excited to share our second annual Public Benefit Report. In April 2018, Namasté Solar became a Public Benefit Corporation (PBC), which meant changing our legal structure to meet the requirements of the Public Benefit Corporation Act of Colorado (§ 7-101-507).

Unlike traditional corporate structures, PBCs place social and environmental results on an equal footing with making a profit. Being a PBC requires the company to consider financial and non-financial interests when making decisions, which is aligned with our mission and core values. As a benefit corporation, our goals are to make a profit and to have a positive impact on society and the environment.

This report is provided in order to meet the requirement of the law and will be released annually. These transparency provisions serve to inform the public about the overall social and environmental performance of Namasté Solar. They also inform our board of directors so they are better able to meet their duties, and our shareholders so they are better able to exercise their rights.

With gratitude and respect,

Jason Sharpe
Co-Owner // CEO



About Namasté Solar

Namasté Solar is about more than helping homeowners and commercial property owners save money with solar. As one of the only locally born and raised Colorado solar companies still in business after 15 years, we've built a long track record of success while also creating something unique: an employee-owned cooperative that runs its business as a force for good in our communities.

We're here to prove there is a better way to do business, one where you can make a profit and a difference. When customers choose Namasté Solar, they're amplifying their impact by working with an employee-owned, local Colorado company that has passed the rigorous standards of social and environmental performance, accountability, and transparency required to become a [Certified B Corporation](#).

Our Public Benefit

Our mission is our statement of public benefit: *We work to propagate the responsible use of solar energy, pioneer conscientious business practices, and create holistic wealth for ourselves and our community.* In this section, we share some of the ways we have fulfilled our public benefit over the last 12 months.

Propagate the responsible use of solar energy

- ✓ We believe in the power of collective action and that each of us has the ability to create positive change. In 2019, we installed a total of 23.48 megawatts (MW) of solar generating capacity. Broken down, this comes out to 534 residential retrofit projects, totaling 3.75 MW; 600 homes, or 2.5 MW, in residential builder new construction; and 17.23 MW of commercial solar projects. The energy produced collectively by the systems installed in 2019 is equivalent to preventing 69,543 barrels of oil from being consumed in a single year.
- ✓ Every day we service homeowners' solar photovoltaic systems that were installed by us and by companies that are no longer in business or do not offer ongoing service. In 2019, our service department repaired nearly 1,000 systems, many of which were not originally installed by Namasté Solar, to keep them generating solar energy. We also completed over 201 deinstallations and 254 reinstallations that needed to be removed and replaced to repair hail damaged roofs and were contracted to service 120 MW.

Propagate the responsible use of solar energy

Advocacy

- ✓ At the end of 2019, the solar industry faced a [legislative challenge](#). An extension of the [federal solar tax credit \(ITC\)](#) was denied by lawmakers setting into motion the wind-down of the ITC. Though lobbying efforts did not produce the results we hoped for, Namasté Solar Co-Owner and General Manager David Henry traveled to Capitol Hill, along with other solar companies in [Amicus Solar Cooperative](#), to support an extension of the federal solar tax credit. We look forward to supporting more opportunities in the federal, state, and local legislature to support a societal shift toward clean, renewable energy because we believe it is a better way to power our lives and that each person who transitions to solar energy makes our world a better place.
- ✓ Namasté Solar is a long-time, active member of the [Colorado Solar and Storage Association \(COSSA\)](#), where we also have an executive, Co-Owner and Director of Commercial Project Development Eliot Abel, on the Executive Committee of the Board of Directors. The organization's mission is to help advance solar and storage deployments, highlight emerging trends, and improve industry connections throughout our beautiful state – leading Colorado toward its [100% clean energy goal](#).
- ✓ Namasté Solar hosts an Internal Policy Committee with multiple members that support our company engagement.
- ✓ Co-Owner Rick Coen sits on the [Colorado Renewable Energy Society \(CRES\)](#) policy committee. CRES supports renewable energy and energy efficiency by providing education, policy advocacy, and community engagement.
- ✓ Co-Owner and CEO Jason Sharpe is active with the [Independent Electrical Contractors Rocky Mountain \(IECRM\)](#). IECRM, the largest IEC electrical training program in the country, is dedicated to educating, promoting, and advancing the electrical industry.
- ✓ There will be future involvement with the Public Utilities Commission as they determine the details and rules for the Colorado legislation that was passed in the last few years. We are active in over a dozen dockets. These will determine rate structures, utility metrics and incentives and multiple other issues that will help our industry grow in Colorado.

Commercial Project Highlights

- ✓ [NextEra Energy](#), a leading clean energy company, selected Namasté Solar to design, engineer, and manage construction for a 10 MW array at IBM's Gunbarrel campus in Boulder. It's the largest solar installation in the City and County of Boulder with a generating capacity equal to the amount of energy used to power over 2,200 homes, or removing 14.7 million pounds of CO2 pollution from the air each year. This system contributes 20% to the City of Boulder's 2020 local renewable power generation target. The goal is to have sheep graze on the site as an innovative and environmentally friendly means of vegetation management.
- ✓ Namasté Solar partnered with the Auraria Sustainable Campus Program (ASCP) and Auraria Higher Education Center (AHEC) to install a solar array atop the [Auraria Library](#). Made up of 2,106 solar panels, this is the largest single-roof array in downtown Denver. It will generate approximately 1 million kWh annually, enough to power two-thirds of the library's electricity needs. The array also plays a big role in lowering campus greenhouse gas emissions by saving an estimated 1.2 million pounds of CO2 from entering the atmosphere each year.
- ✓ Namasté Solar originated, developed, and built the [Solinator Garden](#) to provide solar power for the City of Fort Collins. Working with the system owner, Solaris Energy, Namasté Solar integrated the 2,700 solar panels with a pollinator garden, promoting agriculture, birds, bees, and renewable energy, all on one site. The 1 MW of generating capacity is equal to the amount of energy used to power over 250 homes annually, or 22,088 trees sequestering carbon for 10 years. This project will contribute over 6% of the city's 2020 goal of reducing greenhouse gas emissions by 20% and supported over 100 well-paying local green jobs.

Pioneer conscientious business practices

- ✓ **Stakeholder Code of Conduct** – In mid-2019, we were faced with an ethical dilemma that put two parts of our public benefit at odds: the responsible use of solar energy and responsible business practices. Ten years prior, we installed a system for a customer in Colorado. We had a non-contractual relationship to provide on-going service for the system as needed to keep it operating optimally. In 2019, the customer came under scrutiny for potential human rights violations.

An employee heard about protests at the facility on the local news and brought it to company leadership. Our response was to form the Stakeholder Ethics Task Force, comprised of two representatives of each business unit. The purpose of the group was to create guiding principles and processes for decision-making for evaluating ethical concerns raised about a business-to-business customer. The resulting work was to create our [Stakeholder Code of Conduct](#), which is shared publicly on our website and shared with every new commercial customer during contract negotiations. We publicly hold ourselves accountable for the code as well: “Namasté Solar holds the following expectations for ourselves and toward any business entity to which we provide or purchase goods or services.”

Following the process established by the Task Force, we investigated the practices at the facility and found credible evidence, including a report from the Department of Homeland Security, that they were violating human rights. The Company Circle voted unanimously to cease doing business with the customer.

- ✓ **Good Business Colorado** – In 2019, we join other values-driven small, locally-owned companies and became a member of [Good Business Colorado](#), a “grassroots organization of values-driven business owners rejecting partisanship and advocating for a prosperous economy, equitable communities, and a sustainable environment.” The group advocates for public policy on the Colorado state level.

Namasté Solar has been a driving force in helping lead the Sustainable Environment Working Group. As the only solar installer represented in the group, our employees have helped Good Business Colorado engage our legislature with new fervor by giving testimony in November 2019 on HB19-1313 (Electric Utility Plans To Further Reduce Carbon Dioxide Emissions) and again in March 2020 on HB20-1059 (Valuation Of Energy Storage Equipment). Outside of addressing legislative issues relevant to our industry, our employees have also helped Good Business Colorado engage the state’s Air Quality Control Commission and Department of Human Services

- ✓ **Carbon Neutral** – In 2019, we decided to purchase carbon credits and solar renewable energy certificates to offset the negative environmental impact of operating our fleet and facilities. As a result, we partnered with fellow Certified B Corp [3 Degrees](#) to evaluate our [Scope 1 and Scope 2 GHG emissions](#), as defined by the U.S. Environmental Protection Agency.
- ✓ **Net Zero 2030** – In November 2019, [Namasté Solar joined over 500 other B Corps in committing to become Net Zero by 2030](#). Because we had previously decided to become Carbon Neutral by offsetting Scope 1 and Scope 2 emissions, we had already made a solid step in this direction.

To achieve NZ 2030, we are committing to evaluate our Scope 1, 2, and 3 emissions, determine methods to track them, and implement reduction efforts. Scope 3 emissions are the most challenging to address because they are indirect and occur from sources that the company may influence but does not control. The first step for Scope 3 is to identify those that are the “most relevant” to our business, which the Sustainability Committee commenced in February 2020.

Pioneer conscientious business practices

- ✓ **Employee Engagement Survey** – At the beginning of 2019, Namasté Solar launched its first employee engagement survey on a new platform. From this initial survey, and subsequent pulse surveys throughout the year, we were able to determine a few actions we could take to help boost employee engagement. These actions took the form of reevaluating and revamping our onboarding process, creating career trajectory maps, implementing a monthly company newsletter, and holding a quarterly all-hands meeting. By making sure our employees are informed, we hope to increase engagement over time.
- ✓ **Diversity and Inclusion**
 - **Unconscious Bias Seminar** – In the first half of 2019, we held a monthly unconscious bias seminar, which was open to all employees, to build our capacity as an organization and as individuals by understanding unconscious bias. In-person participants in this seminar series watched compelling, curated videos and had open discussion. The content was shared with all employees, so if in-person attendance is not feasible it could be watched on their own time.
 - **Right Use of Power** – In 2019, we continued providing the Right Use of Power workshops. Twice a year, we offer these full-day experiential workshops, available for all employees as paid time. Participants learn about power differentials and the “4 I’s” of oppression – ideological, interpersonal, institutional, and internalized. They also learn about microaggressions as aspects of communication and behaviors that perpetuate oppression and unhealthy power dynamics in the workplace and beyond.
 - **White Fragility Book Discussion** – We also held group discussions for the book *White Fragility: Why It’s So Hard for White People to Talk about Racism* by Robin DiAngelo. The small group discussions encouraged an open dialogue at Namasté Solar on how race impacts experiences at all levels of society and how white people can recognize their defensive reactions when discussing race. All employees were invited to participate, and we had 22% of the company join the book reading and discussion groups. The intention is to continue these book groups that will educate people on ways to recognize privilege and power and help break down barriers in the workplace and in our communities.





Create holistic wealth for ourselves and our community

Ourselves

Namasté Solar has taken an uncommon approach to business. In January 2011, the company became an employee-owned cooperative. We choose co-ownership over hierarchy; democratic decision making over centralized leadership; sustainable growth over aggressive expansion; collaboration over competition. Our intention is to share the entire experience of business ownership; not just rewards such as profits and control but also risks and responsibilities, regardless of job role or title. Transparency is practiced through open book management and access to all company information is available to co-owners and candidates. All co-owners participate in democratic decision-making on a one-person, one-vote basis. We firmly believe this business model translates to better designs, installations, and customer experiences. At the end of 2019, our company was comprised of 95 co-owners and 20 candidates for co-ownership (a one-year candidacy period). In total, we ended 2019 with 201 employees.

- ✓ **Compensation Program Remodel** – In 2019, Namasté Solar revamped our compensation program. We created a pay matrix to add more clarity and structure to what we decide to pay individuals in each role. The pay matrix helps reduce the possibility of bias and inequity in what we pay our employees by setting clear criteria on how to move to the next tier. Additionally, this added framework helps those who want to grow in their careers to see when they're nearing the maximum compensation in their role. With the help of the pay matrix, they can determine what the next step may be on their team or elsewhere in the cooperative.
- ✓ **Pay Ratio** – Per company policy, we maintain a maximum 6-to-1 ratio of highest-to-lowest total pay per employee. Our current ratio is 4.2-to-1. Studies on the topic of highest-to-lowest pay vary widely in their findings and the results vary widely by industry and company size (revenue and population). A [report](#) from Harvard Law School in October 2018 concluded an average of 144-to-1 and median of 69-to-1 for U.S. companies.
- ✓ **Employee Training/Education** – In 2019, our installation crew members received 3,096 hours of electrical apprenticeship training to help them build their skills and advance their careers. We invest heavily in our people's ongoing education to ensure the highest quality installations, provide the best in customer service, and to maintain our stellar safety record.
- ✓ **Socially Responsible 401k** – In 2019, Namasté Solar began the process of switching 401k providers in order to access more socially responsible and clean energy impact investments. Participants are now advised by a local Colorado-based Certified B Corp, BSW Wealth Partners. The intention of this change was to provide participants the opportunity to align their retirement investments with their values and increase employee education with regards to retirement investing.



Create holistic wealth for ourselves and our community

Our Community

- ✓ **Girls in Construction** - In September 2019, Namasté Solar was a proud sponsor of The HOYA Foundation's Transportation and Construction Girl event in Denver. As part of its exhibit, Namasté Solar constructed a mock roof that allowed the high school girls to try their hand at installing solar panels and related equipment. Namasté Solar was represented by female staff who demonstrated and answered questions about their work in the solar industry. We also showed the girls how to design a solar PV system using computer aided design (CAD) software.
- ✓ **Art + Sol** - In September 2019, Namasté Solar and fellow Certified B Corp, Meow Wolf, collaborated with local residents to host [Art + Sol](#), a celebration of art and culture in the Sun Valley community of Denver, where our one of two offices is located. Residents were invited to display art, participate in a youth led talent show, and enjoy food from community chefs. The residents played a key role in the planning and execution of this event. In addition, this event served as an unveiling for a collaborative mural on the side of our building, designed by a local Denver artist and Sun Valley youth.
- ✓ **Climate Strike** - In 2019, Namasté Solar participated in the [Global Climate Strike](#). More than 50 Namasté Solar employees and their families joined the march in Denver. Additionally, 110 of our employees, candidates, and co-owners signed [a letter in support of this climate strike](#). As a solar company, we are actively fighting climate change by installing renewable energy every day.



The collaborative mural on the side of our building, designed by a local Denver artist and Sun Valley youth.



Participants and Namasté Solar staff at the Girls in Construction event in Denver, CO



Create holistic wealth for ourselves and our community

Our Community

- ✓ **DPS partnership** - Namasté Solar is entering its third year of partnering with Denver Public Schools (DPS) and their CareerSpark, CareerX, CareerCoach, and CareerLaunch programs. Partnering with DPS aligns with Namasté Solar's mission statement in that helping to educate the youth in our community creates better opportunity for all involved. In 2019, Namasté Solar received awards for Company of the Year (highest DPS honor) and Platinum Partner for participating in these four programs. We were the only company to participate in all four volunteer programs.

CareerSpark and CareerX are job exploration programs where we provide office tours and an introduction to solar and the available careers at Namasté Solar. CareerCoach is a mentorship program that focuses on guiding students into STEM careers after high school. We partner with JFK High School for our mentorship and had roughly 25 different mentors and 45 different students in the last three years. CareerLaunch is an internship program that connects employers and high school students with relevant skills. We have partnered with MLK Early College, East High School, and JFK High School. We have had 11 interns to date. In 2019, we hired one of these interns after this program, as a part-time CAD Designer while they completed high school.

- ✓ **Volunteer Time On (VTO)** - With the development of the Volunteer Time On (VTO) program, all employees are encouraged to spend 1% of their annual work hours – 20 hours of paid time – volunteering for a charitable purpose. While there are some company-organized volunteer opportunities, many employees seek out their own opportunities that are close to their heart. Whether they are assembling Clean Care Bags at [There With Care](#) in Boulder or working with [GroundWork Denver](#) to educate at-risk youth on the solar industry, Namasté Solar employees are dedicated to giving back to their local communities.



Assessment of Public Benefit

Colorado's public benefit statute requires PBCs to assess and report on their overall social and environmental performance, benchmarked against a third-party standard that meets statutory criteria of transparency and credibility. Because Namasté Solar was a Certified B Corporation when we became a PBC in 2018, we were already meeting this legal requirement.

Certified B Corporations achieve a minimum verified score on the B Impact Assessment (BIA) – a rigorous assessment of a company's impact on its workers, customers, community, and the environment – and make their B Impact Report transparent on the B Lab website. Certified B Corporations also amend their legal governing documents to require their board of directors to balance profit and purpose. The combination of third-party validation, public transparency, and legal accountability helps Certified B Corps build trust and value. B Corp Certification is administered by [B Lab](#), an independent nonprofit.

The BIA is developed through a transparent process, continuously improved, and audited by B Lab. The standard is based on IRIS metrics covering impacts on four broad stakeholder groups as well as governance factors. Using the BIA allows us to benchmark against an objective standard used by over 50,000 businesses. As a Certified B Corporation, we have completed the BIA every two years from 2011-2017. In 2019, B Lab increased the recertification period to every three years and in April of 2020, Namasté Solar was recertified.

B Impact Report



Namaste Solar

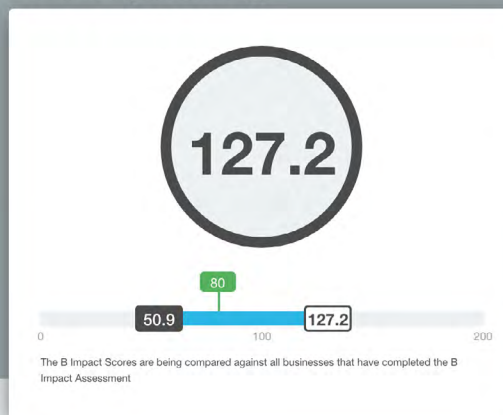
Solar Installation

Certified Since: January, 2011

Location: Boulder, Colorado, United States

Sector: Service with Significant Environmental Footprint

Overall B Impact Score ⓘ



WWW.NAMASTESOLAR.COM



Headquarters

6707 Winchester Circle
Suite 700
Boulder, CO 80301

p. 303.447.0300

f. 303.443.8855

info@namastesolar.com

Denver Office

888 Federal Boulevard
Denver, CO 80204

Contact

For questions or to learn more about Namasté Solar,
visit our website or email info@namastesolar.com.

namastesolar.com



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COOPERATIVE