

# A Year of Change

## 2020 Sustainability Report

**In 2020, organizations across the world faced extraordinary challenges as the COVID-19 pandemic indiscriminately swept over our lives.**

Milepost was no exception; like so many others, we faced a barrage of challenges and prolonged uncertainty that threw our lives, our work, and our employment into question.

By the time spring hit, nearly all our client work had halted. Our CEO made the decision to leave the company, creating major staffing, services, and sales implications for the company to address while COVID simultaneously shut down the work already in our pipeline. While we have always been a remote-friendly team and were well set up to pivot to fully-remote operations, we faced a future full of unknowns and suddenly found ourselves with an abundance of free time – so we chose to seek out the opportunity that change provides.

### Challenge to Change

With the help of the Paycheck Protection Plan (PPP), Milepost was able to keep all employees engaged at full-time status. With hours secure, but limited work to accomplish for clients, Milepost launched the **Challenge to Change Giveback** to provide free services to three applicants who let us know how they, too, were finding the opportunities in change. This enabled us to keep making connections, using our business as a force for good, and engaging our employees in ways we've never had an opportunity to do before. When the wave of civil unrest was triggered by the death of George Floyd, we decided to extend the Giveback and offer additional services to the social justice organizations who had applied but not initially been selected.



All said and done, Milepost provided **388 hours of pro bono work** to support other organizations in 2020.

### From Leader to Leadership

As life stabilized, we restructured our leadership model to split the role of CEO between **a leadership team of four**, elected directly by their peers. Each of our new company leaders brings a unique set of skills to the table and oversees a specific area of our internal operations and client-facing work.

Leadership continues to be overseen by two shareholders, who each own 50% of the company, and the Board of Directors. The Board is responsible for the overall direction and performance of the company as well as approval of major transactions and employee compensation.

# COMPANY

Founded in 2006, Milepost Consulting is a team of values-driven and collaborative problem-solvers located primarily in Nashville and the greater Seattle area. We use strategy, creativity, and fresh approaches to develop engaging experiences and compelling communications.

We work with clients across the nation to strategically identify, address, communicate, and implement sustainable practices. We continue to stay committed to creating positive, long-term impacts by prioritizing our employees, community, and environment over earnings. It is our aim to spark transformational change toward a more livable, equitable, just, and prosperous society.

Milepost became a certified B Corporation in 2010, joining a global movement of more than 2,000 other values-based companies committed to using business as a force for good. As a member of this community, we continue to stay focused on driving change with a firm conviction that responsible business is the most effective point of leverage.

In 2017, we registered as a Social Purpose Corporation (SPC) in the State of Washington. The SPC governance model provides a solid foundation for Milepost’s long-term mission alignment and value creation through additional commitments to higher standards of purpose, accountability, and transparency.

# PEOPLE

Milepost is proud of having a culture that values empathy, trust, creativity, and collaboration – and we continuously take efforts to make sure all employees feel valued, heard, and supported. It is these characteristics that keep us nimble and adaptive, whatever the world might throw our way.

As of December 31, 2020:

**66%**

of employees identify as women

**9**

employees, including six full-time and three part-time

**2.45:1**

high to low wage ratio

**91.4%**

Employee satisfaction score

**100%**

of employees received an end-of-year bonus, despite the company not earning a profit

**100%**

owned and led by individuals from underrepresented social groups

**100%**

of employees receive skills-based training and professional development opportunities

**100%**

of employees receive full benefits package

## Compensation and Benefits

Milepost wants our people to succeed both personally and professionally. We perform a compensation analysis every three years to ensure company-wide wages are higher than the national median. We offer a wide range of benefits to all full-time employees, and regular part-time workers are eligible for benefits when working at least 25 hours per week.

The following benefits are offered to Milepost employees:

- 4 weeks of paid vacation
- 2 weeks of paid sick time
- 6 paid holidays
- 40 hours of paid volunteer time
- Health, dental, vision and disability insurance
- 401k program with employer matching
- Flex time and remote work options
- Technology stipend

## Diversity, Equity, and Inclusion

We made a concerted effort to expand efforts related to diversity, equity, and inclusion in 2020. Some examples of this include scrutinizing our recruiting processes and internal policies, examining our work processes to address unconscious bias, and increasing efforts to diversify candidate outreach. When hiring new employees and promoting current staff, compensation is determined by position, not ability to negotiate.

To promote diversity within our supply chain, we track diversity of ownership among our suppliers and vendors and have a policy to give preference to those owned by underrepresented populations. We also give purchasing preference to suppliers who are geographically local to our teams, and those who hold themselves accountable to high environmental and social standards.

## PLANET

In a typical year at Milepost, our largest source of emissions result from business travel via air, road, and train. At the end of 2019, we had moved our Seattle-based team to a fully remote work setup, and in early 2020 we did the same with our Nashville-based employees. As a fully remote team whose travel plans for the year were waylaid, we were unable to measure our emissions for 2020.

While we were unable to offset our emissions in 2020, we will revisit our resource capabilities in 2021 in an effort to minimize our environmental impacts. Additionally, we encourage our team to practice sustainability and energy efficiency in their home offices.

Finally, our client services create positive environmental outcomes through reduced energy use, emissions, and waste; enhanced knowledge and understanding of environmental impacts and related behaviors; and assessments to help clients and their customers measure, track, and improve environmental-related behaviors.

# PROSPERITY

At Milepost, we value complete financial transparency, shared profits, and meaningful involvement for the full team. The more we earn, the more we are able to invest in our employees and company and exponentially increase the positive impacts of our company.

**\$1.2M**

in revenue, with a -8% profit margin

**\$26,800**

distributed as employee bonuses

**\$0**

distributed to shareholders

Although we did not generate a profit in 2020, we celebrated even the smallest victories throughout the year and found joy in the unexpected opportunities brought on by the pandemic. We prioritized our employees and took meaningful strides to ensure all staff who wished to remain with Milepost could do so. By the end of the year, we found ourselves well on our way to recovery.

## Normalized P&L

Q1-Q4, 2020

<b>Revenue</b>	<b>100%</b>
<b>Total Operating Expenses</b>	<b>108%</b>
Payroll & benefits	90%
Professional fees	9%
Travel expense	1%
Interest	<1%
G&A	3%
Other Operating Expense	5%
<b>Net Income</b>	<b>-8%</b>