



## **Daycos Annual Benefit Corporation Report 2017**

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Dear Stakeholders,

At Daycos, we believe that business is about more than just providing services and making money, it's about making a difference. It is important to support the quality of life of our employees and our community, to give back to our community and to be a good community partner, and to invest in people. We believe that we all have a responsibility and a desire to contribute to something bigger than ourselves.

Daycos is a transportation revenue solutions company that exists to do good and be good by investing in our employees, community, and customers. We became a Nebraska Benefit Corporation and Certified B Corp in 2016 to better fulfill our purpose to “do good and be good.” This Annual Benefit Report is a snapshot of the good that was done in 2017, our first full year as a Nebraska Benefit Corporation.

We have organized this report to reflect the investments that were made in the four Daycos stakeholders – our company, customers, employees, and community. The stakeholders are interconnected and have equal value in the system. We make decisions based on the impact on all stakeholders, not shareholders, and do not pursue things that would harm one stakeholder for the benefit of another.

We are excited by the progress that has been made in the early days of our work of using our business as a force for good. We want to thank all the people who helped to create and craft the work of Daycos4Good. Your dedication and commitment to developing a way to help a business make a difference in the world is truly inspiring.



Brandon Day  
Owner & CEO



Tammy Day  
Owner and Benefit Officer

## **Overview of Daycos4Good**

Daycos exists to do good and be good. Daycos4Good demonstrates the way we live that every day in our company. We believe this dynamic and impactful way of doing business is the right way to use a private asset, in this case a privately-owned business, to make a difference in the world. Daycos4Good (D4G) is an employee-driven program focused on the idea that Daycos can be a force for good. The “4” in D4G symbolizes our four stakeholders: employees, customers, the community, and the business itself. We make decisions based on the long-term impact on those four stakeholders, instead of our company shareholders.

When considering a new service, community investment, employee benefit, or change in a system or process, we ask ourselves how this will impact the shareholders in this system. We ask ourselves a series of questions each time to ensure we are considering the impact on all, because stakeholders drive our decision-making and are given equal value.

- Is it good for the company?
- Is it good for our customers?
- Is it good for our employees?
- Is it good for our community?

If the answer to any of these questions is no, then the item under consideration is either modified so that it does not harm the stakeholder in question, or it is discarded entirely. A decision will not be made that sacrifices one stakeholder for the sake of the others. All four stakeholders are integral to the overall success of Daycos.

The “Good” in Daycos4Good represents our intention to make Daycos a force for good in the world. We know we can do amazing things to benefit our employees and our community and want to show others how that can be done through our Daycos4Good efforts. Our stakeholders come first and, not only help us to be a force for good but are the reason we are in business in the first place.

## **Daycos Corporate Philosophy**

We have a choice in how we do business in the world, and we have chosen to be a force for good. We know that business is about more than just providing services and making money; it's about making a difference. We think it is important to support the quality of life of our employees and our community, to give back to our community, to be a good community partner, and to invest in people. We believe that we all have a responsibility and a desire to contribute to something bigger than ourselves. It keeps us focused on the big picture and things that matter. It is the right thing to do.

Through the work that we do at Daycos, we are able to provide a service to our customers, create a great place for people to work, and be a good community partner through charitable giving. We believe that it is important that the work of Daycos benefits its stakeholders - our company, our customers, our employees and our community - not just its shareholders.

**Company:** Our company is the overall umbrella under which all the work and investments in people occur. Keeping the company strong creates a vehicle for us to be a force for good.

**Customers:** Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders. As the business grows and becomes more profitable, investments in other stakeholders can increase.

**Employees:** Investments in the personal and professional lives of our employees, their work environments, and their families have a direct impact on people's lives and demonstrate that they are valued members of this company and community.

**Community:** Our community is the setting for our business and the place where we live, work and raise our families. As an integral part of this community, we believe that we have a responsibility to help to ensure a bright future for this place.

These stakeholders are interdependent and share equal importance in the system – the better we do at creating and sustaining great services and relationships with our customers, the more revenue that is generated to be invested in our employees and our community. Better business equals more investments in people. More investments in people and community results in better business.

Decision-making, planning and asset allocation will be based on these four questions:

- Is it good for the company?
- Is it good for our customers?
- Is it good for our employees?
- Is it good for the community?

All core values are relevant in decision making surrounding stakeholder investments:

- Be better tomorrow than we are today;
- Fix the problem, be the solution;
- Build relationships for the long-term
- Make this a great place to work;
- Give back, it's what we do

## **B Corp Certification**

A “B Corp” is a for-profit company that is certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency. It is a designation that says our company is about more than making money, it is about being a force for good in the world. B Corps understand that we are all interconnected and that our common life together on this planet can be improved by being socially and environmentally responsible and by investing in the people and places in which we live, work, and raise our families.

The B Corp Declaration of Interdependence 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 in this emerging economy, we believe:*

*That we must be the change we seek in the world.*

*That all business ought to be conducted as if people and place mattered.*

*That, through their 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.*

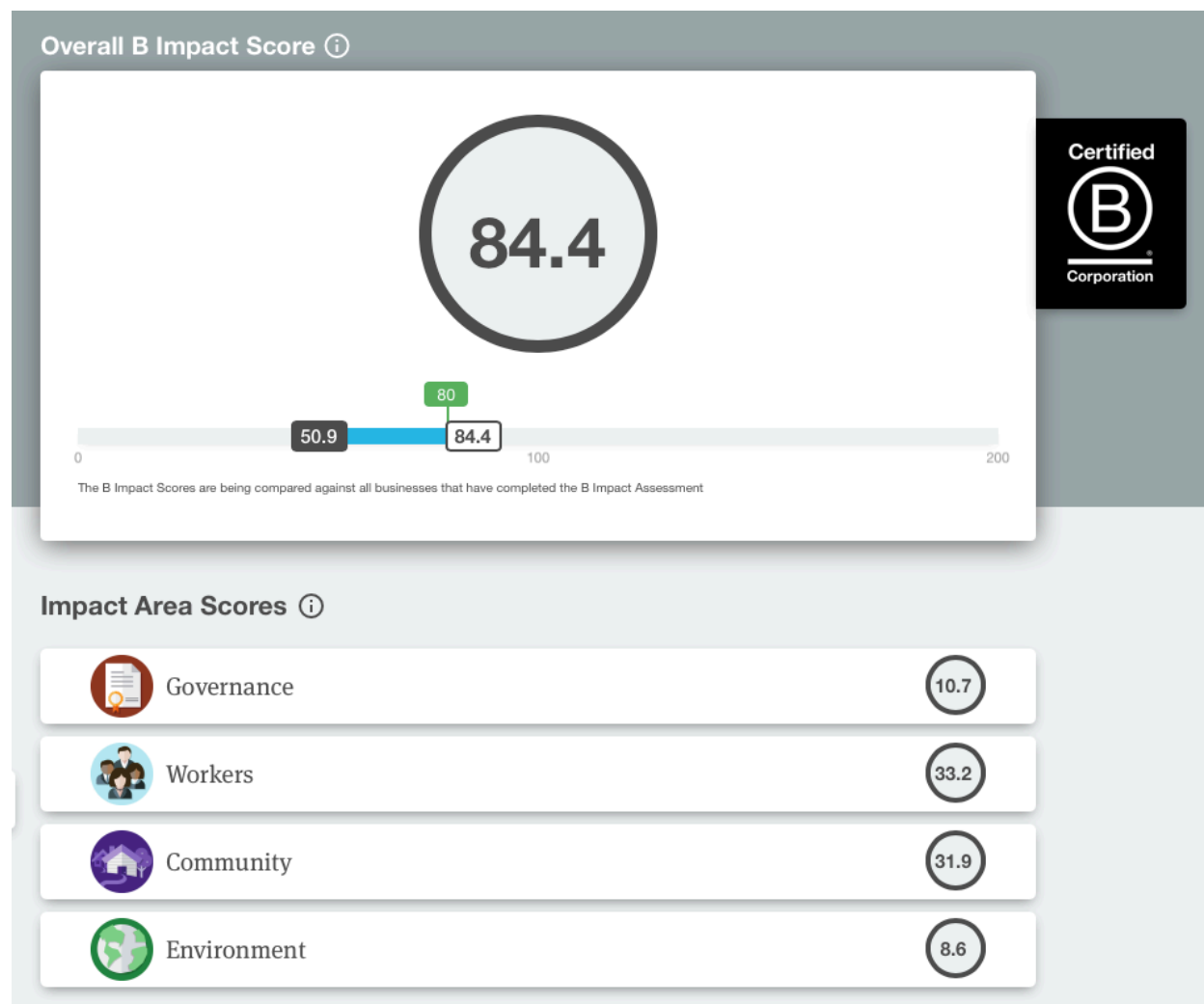
To become a B Corp, companies must complete an assessment that measures them in categories of governance, workers, community, and environment and provides an overall score indicating that you have practices and procedures in place to support the B Corp standards. A score of 80 or above indicates that you have met the minimum level of stakeholder impact to become a B Corp.

## **B Lab Third Party Assessment**

Benefit Corporations in Nebraska are required to assess their impact by a third-party standard and report this information in their Annual Benefit Report. Daycos used B Lab, a nonprofit with a recognized certification process for companies using their business as a force for good.

Businesses wanting to meet the B-Corp certification requirements must obtain a score of 80 or higher on the B Impact Assessment, which measures a company's environmental and social performance on a 200-point scale.

Daycos first completed the assessment process in 2016 and scored an 84.4, exceeding the 80-point requirement. Our B Corp score is reassessed every three years with a new assessment and score being completed in fall 2019.





## Benefit Performance for all Stakeholders 2017

The work of Daycos benefits its stakeholders, not just its shareholders. These stakeholders are interdependent and share equal importance in the system – the better we do at creating and sustaining great services and relationships with our customers, the more revenue that is generated to be invested in our employees and our community. Better business equals more investments in people. More investments in people and community results in better business.

Therefore, our Annual Report will focus on the ways in which our benefit corporation status has propelled us to deepen our commitment to investing in our stakeholders and creating a public benefit through those efforts.



## **Company Impacts 2017**

Our company is the overall umbrella under which all the work and investments in people occur. Keeping the company strong creates a vehicle for us to be a force for good.

- Filed for and earned Nebraska Benefit Corporation Status.
- Established the Daycos Advisory Board to better represent the interests of all stakeholders and to ensure that Daycos is being run in a way that maximizes value to each.
- Conducted our business with transparency through open book management practices and quarterly all staff financial updates.



## **Customer Impacts 2017**

Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders.

- Supported various charitable efforts of our customers and the industry, such as being a sponsor for the American Movers and Storage Association (AMSA) Bike Build project at the AMSA annual meeting. Teams come together during the afternoon to have a race to see who can build a bike the fastest. Then that night, at the annual dinner, the bicycles are presented to local Boys and Girls Club on stage.
- Shared Daycos stories with our customers of being a force for good through our community and employee investments.
- Updated Daycos website to include a Daycos4Good section to better share efforts with customers and the general public.





## Community Impacts 2017

Our community is the setting for our business and the place where we live, work, and raise our families. As an integral part of this community, we believe we have a responsibility to help to ensure a bright future for this place.

- Daycos4Good Endowment grew from a \$25,000 contribution in 2016 to \$50,998.84 at the end of 2017 through ongoing contributions of a small percent of revenue each month.
- Daycos Community Investment Committee finalized its community investment process and made its first strategic community investments totaling \$5900 to the following projects:
  - *After Shock – Legacy Books Project*
  - *Boy Scouts of America – Norfolk Area Scoutreach*
  - *Oasis Counseling – Befriend Mentoring Program*
  - *The Zone Afterschool Program – Boys2Men Life Skills Program*
  - *The Zone Afterschool Program – Discovering Your Strengths: Growing in Leadership Program*
  - *Westside Elementary School – Positive Thoughts Equal Positive Outcomes Program*
- Daycos employees volunteered at Jefferson Elementary School as classroom helpers and at events such as Green Eggs and Ham Breakfast, Blessings in a Backpack, Jefferson School Carnival.
- Daycos has had a Relay for Life team since 1995 and has raised \$131,825.53 from 2004 to 2018.
- Charitable sponsorships, memberships, and campaign pledges totaled \$69,828.91 this year to 29 community organizations.
- Daycos also contributes to the community through our charitable matching program, Toys for Tots drive, volunteering at the Veterans Home, annual Daycos 5K donation, Norfolk Food Pantry Souper Bowl, and hosting bi-annual blood drives for the local Red Cross.



## Employee Impacts 2017

Investments in the personal and professional lives of our employees, their work environments, and their families have a direct impact on people's lives and demonstrate that they are valued members of this company and community.

- The Employee Investment Committee and Daycos completed a visioning and planning process to outline focus areas and a workplan for making investments in employees and their families.
- Invested \$3770 through the Employee Investment Committee.
- Continued to offer extensive wellness benefits such as:
  - Additional Paid 15-Minute Wellness Break
  - Wellness Incentives
  - Paid Wellness Time for Annual Exams
  - Copay Reimbursement
  - EAP Counseling Services
  - Fresh Fruit
  - Monthly Catered Healthy Lunch
  - On-Site Pilates Classes
  - On-Site Fitness Room
  - Employee Bicycles
  - Employee Garden & Fruit Trees
  - Flu Shots
  - Annual Biometric Screening
  - Blood Glucose Screening
  - Tobacco Cessation Program
  - Simply Well Portal & Resources
  - Wellness Programs, Challenges & Topics
  - On-Site Weight Watchers
  - Company 5K Event
- Increased maternity leave to full pay for six weeks and implemented an additional two-week paid parental leave program.
- Daycos provided charitable matches for \$1614.90 of employee donations to nonprofits.
- Employees can take one hour of paid volunteer time per month and have used these hours to benefit multiple community efforts.
- Daycos employees participated in many team-building and family events throughout the year such as our annual picnic, Daycos Christmas party, Escape Room Challenge, Office Olympics, and Holiday Decorating Contest.



### **Where do we go from here?**

2017 was an exciting year at Daycos in our transition to a benefit corporation. We continue to learn how this employee-driven approach to business can make an impact on the people of Daycos, our customers, and our community.

In 2018, we will further develop the Employee Investment Committee's philosophy and investment processes based on a visioning session with Daycos employees. We will also have a final experimental round of community investments that help us solidify the community investment process.

We will continue to develop impactful ways of engaging all stakeholders as we work to realize what it means to be a force for good.

Stay tuned!

A handwritten signature in cursive script that reads "Tammy Day".

Tammy Day  
Owner and Benefit Officer