



## **Daycos Annual Benefit Corporation Report 2018**

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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.” For two years now, we have been about making a difference, not just making a profit.

This Annual Benefit Report is a snapshot of our work in 2018 doing good for our four 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 continue to be inspired by the good work being done as we use our business as a force for good. We want to thank all the people who continue to be dedicated to the work of Daycos4Good. Your dedication and commitment to finding a way to make a difference in the world continues to inspire and amaze us. Thank you!



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 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 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:** The 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 environment, 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?

Daycos 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.*

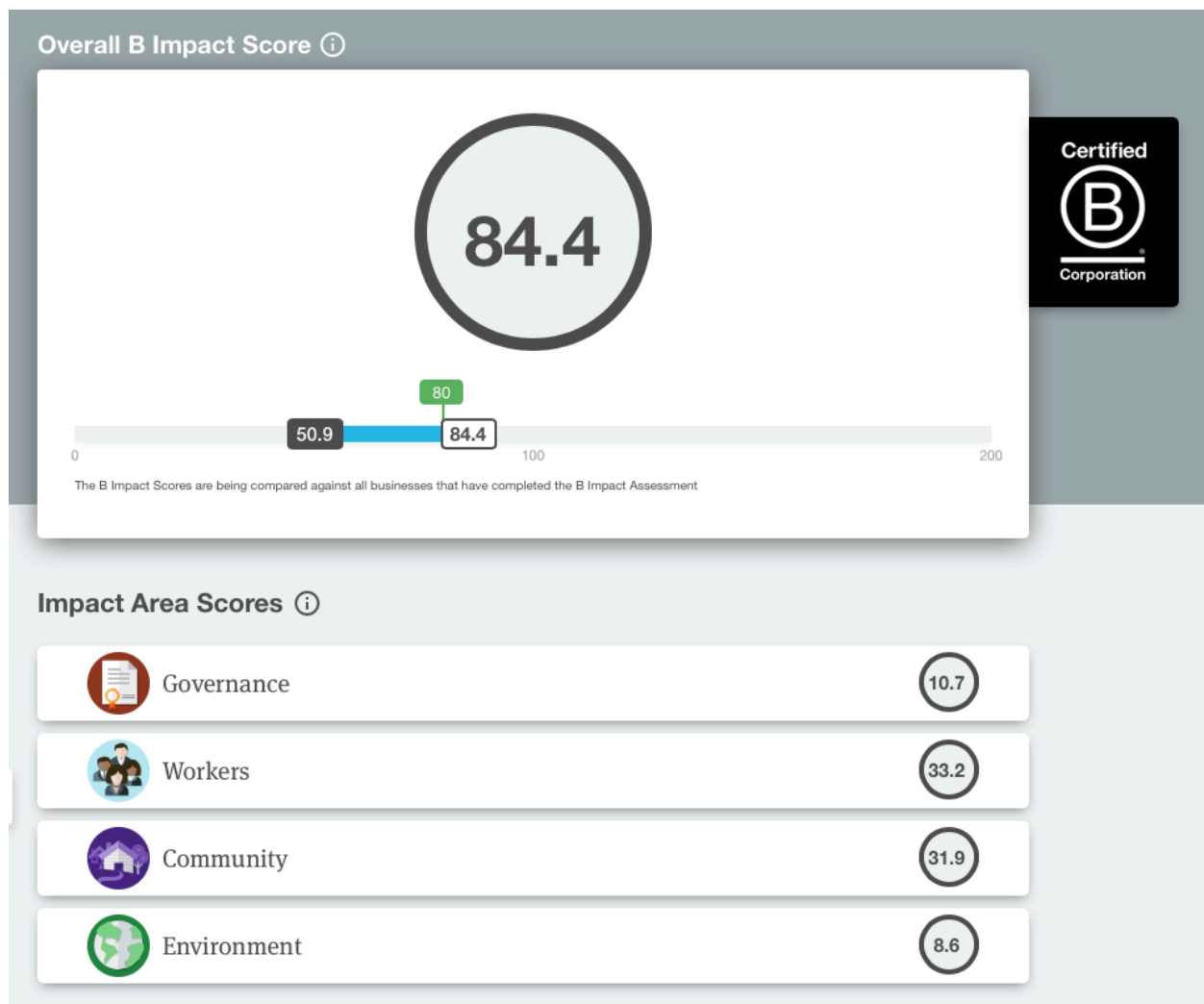
To become a B Corp, companies must complete an assessment that measures them in categories of governance, workers, community, and environment and provides an overall score indicating the company has practices and procedures in place to support the B Corp standards. A score of 80 or above indicates a company has 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 will be reassessed this year. We are already in the process of reviewing the new assessment tool and determining where we have made progress. This will be completed in the fall 2019.



## Benefit Performance for all Stakeholders 2018

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 2018

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. In 2018 Daycos:

- Was awarded the **Best for the World 2018 B Corp Award for Workers**. This award measures how the company treats its workers through compensation, benefits, training, and ownership opportunities. It also focuses on overall work environment within the company. To earn this award, companies must score in the top 10<sup>th</sup> percentile of all certified B Corps worldwide in that area.
- Continued to bring greater transparency to our business through open book management practices and monthly all staff financial updates.
- Signed the **Conscious Capitalism Credo** <https://www.consciouscapitalism.org/credo> which states that “Conscious Capitalism is a way of thinking about capitalism and business that better reflects where we are in the human journey, the state of our world today, and the innate potential of business to make a positive impact on the world.”
- Attended Conscious Capitalism and B Corp Conferences to gain better knowledge and understanding of doing business differently.



## **Customer Impacts 2018**

Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders. In 2018 we:

- Supported various charitable efforts of our customers and the industry, such as being a sponsor for the American Moving 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.





## Community Impacts 2018

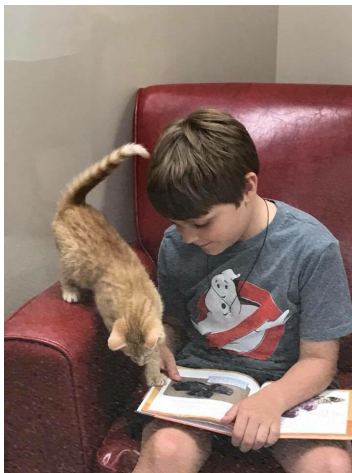
Our community is the setting for our business and the place where we live, work, and raise our families. As an integral part of this community, we believe we have a responsibility to help to ensure a bright future for this place. In 2018:

- Daycos hosted its first ever **Bike Build** event in which 12 bicycles were assembled by Daycos teams and then distributed youth through the Salvation Army.
- **Daycos4Good Endowment** grew to **\$69,228.28** this year through ongoing contributions of a small percent of revenue each month.



- Daycos Community Investment Committee did its second round of community investments totaling **\$10,360.50** to the following projects:

- *Norfolk Area Youth Summit*
- *Project Homeless Connect*
- *Paws to Reading*
- *Orff Instruments for Norfolk Public Schools*
- *Getting a Head Start on Reading*
- *Norfolk Senior High Nature Club*



- Daycos hosted 3rd and 4th graders from Jefferson Elementary school for an **Hour of Code** program, working with them to program changes into actual Daycos computer applications as they learned about coding.
- Volunteers from our DevOps department facilitated a **Coding Club** this year at our local after school program, After Shock. After Shock provides hands-on, activity-based learning in a creative way for 5th through 8th grade students in the Norfolk school district. Daycos volunteers saw an opportunity to introduce programming and technology in a fun and creative way to these students.
- Daycos employees continued **volunteering at Jefferson Elementary School** as classroom helpers and at events such as Green Eggs and Ham Breakfast, Blessings in a Backpack, Jefferson School Carnival. This year Daycos also hosted a classroom supply drive to help teachers stock their classrooms for the school year.





- Charitable sponsorships, memberships, and campaign pledges totaled \$54,540.97 this year to 37 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-monthly blood drives for the local Red Cross.
- In December, Daycos hosted the first **Do Good Be Good Challenge**. *How much good can you do with \$50?* This was the question of the day, as teams of Daycos employees banded together to help the community. Here's what good Daycos Employees did with \$50:

- Books for Toys for Tots
- Hy-Vee Gift Cards for US92 Christmas giveaway
- Giving money to the Zone
- Hats and gloves for Jefferson Elementary
- Turn \$50 into \$487 by challenging other businesses
- Pay-it-forward at Scooters
- Supplies for the Animal Shelter
- Food for the Norfolk Community Pantry
- Spread Holiday Cheer with Hot Cocoa & Candy Canes
- Food for the Rescue Mission
- Money and supplies to support CASA of Northeast Nebraska



- As part of a Daycos4Good investment in Read Aloud Norfolk for their "Getting a Head Start on Reading," Daycos employees read to, helped select, and distributed 636 books to 212 area preschool students at Head Start and Little Panthers Preschool.
- Daycos hosted a **Giving Station** for the **Norfolk Area Big Give** and spent the day collecting donations for area nonprofits during this 24-hour day of giving.
- Daycos Community Investment Committee Members shared their knowledge and experience as part of a panel on Impactful Grantmaking at the Nebraska Community Foundation Annual Banquet and Training in Norfolk in November.

## Employee Impacts 2018

Investments in the personal and professional lives of our employees, their work environments, and their families have a direct impact on people's lives. In 2018:

- Daycos kicked-off our first ever company-wide employee **personal development initiative**, which asked all Daycos employees, "How do you want to invest in yourself?" Employees meet in cohort groups to discuss how to invest in themselves and the company provides the funding, support, and time-off to make those investments a reality.
- The Employee Investment Committee spent the year making **investments in employees and their families** totaling \$48,651.
- Daycos provided charitable matches for **\$3053.50** of employee donations to nonprofits, almost double the amount matched in 2017.
- Employee investments this year included:
  - Providing seed money for employees to start or supplement **College Savings Plans** for their children and grandchildren.
  - Purchasing **standing desks** for interested employees.
  - Adding an additional **bereavement benefit** day for employees who experience the death of a grandparent.
  - Offering **professional development** funds for employees to purchase books.
  - Encouraged employees to update or develop **estate plans** with Daycos paying half the cost.
- Daycos continued to offer extensive wellness benefits and added new exercise equipment and a personal trainer.
- Daycos employees continue to have fun participating in team-building and family events such as our annual family picnic, family holiday party, bowling outing, city-wide scavenger hunt, picnic in the park, and Halloween Costume Contest.



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

2018 was a busy year at Daycos as we worked to do good and be good. 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 2019, we will continue to grow our community and employee investments, build partnerships in the community, and engage all stakeholders in a virtuous cycle of doing good. Some areas of focus in the coming year will be to implement a community investment request for funding that can be completed by youth, study volunteerism at Daycos, and recommend changes to volunteer opportunities, tracking, and incentives, and see the completion of personal development plans for all Daycos employees.

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.

More to come!

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

Tammy Day  
Owner and Benefit Officer