

## The B Impact Assessment In Context: Comparisons and Partnerships with Other Standards

The B Impact Assessment (BIA) provides a comprehensive and objective measure of a business's positive impact on society and the environment through a set of customized questions that reflect impact indicators, best practices, and outcomes. A company receives a composite score on a 200 point scale representative of its overall impact on its employees, communities, and the environment.

The BIA allows businesses to measure and manage the social and environmental performance of their business by providing an easy to use, insightful, and standardized framework for measuring its impact on its stakeholders, allowing users to better understand the context in which their company has impact and how to improve. The BIA is the exclusive tool used for B Corp Certification and GIIRS Ratings.



B Corp Certification requires companies to meet higher standards of performance, accountability, and transparency by requiring a minimum verified score of 80 on the BIA, fulfillment of the legal requirement to incorporate stakeholder consideration in company decision-making, and a public profile outlining the company's BIA score.



GIIRS Impact Ratings use the BIA for a verified score of a company's (usually a prospective or current investment) overall social and environmental performance. There are no score requirements or legal requirements; companies are required to complete the assessment and go through a verification process with B Lab staff.

### What makes the BIA unique?

This B Impact Assessment is:

- Comprehensive;
- Evaluative;
- Practice and Improvement Oriented;
- Applicable to any sized business; and
- Self-completed by the company



As an impact measurement and management tool the B Impact Assessment partners with and complements a variety of different standards, certifications, and impact measurement frameworks.

It accomplishes this by either incorporating their standards directly into the B Impact Assessment and/or utilizing their systems for verification purposes. Examples of industry, product, or practice specific standards included in the BIA include the Social Performance Taskforce and ALINUS indicators for the micro-finance industry, FSC certified forestry products, Fair Trade Certification, Organic Certification, or ISO 14000.

The below describes a selection of the most significant frameworks that the B Impact Assessment is aligned with and complements that are well recognized and adopted both in a corporate and a social enterprise context, including how they compare to the B Impact Assessment and how they complement one another.

*\*Note that the descriptions provided below have been developed by B Lab and do not necessarily reflect the formal positions or perspective of the organizations described. If you you'd like to provide feedback on how different standards are presented, or would like to know how other initiatives or standards relate, please reach out to B Lab's Director of Standards at dosusky@bcorporation.net*

## Corporate Standards at a Glance

Name	Coverage	Purpose	Use
B Impact Assessment (BIA)	Comprehensive	Evaluation; Management and Improvement	Certification/Rating; Management; Reporting
Global Reporting Initiative (GRI)	Stakeholder-Based Material Metrics	Disclosure / Reporting	Sustainability Reporting
Sustainability Accounting Standards Board (SASB)	Industry Specific Financially Material Metrics	Disclosure / Reporting	Reporting in Financial Statements
Carbon Disclosure Project (CDP)	Environment	Disclosure / Reporting	CDP Database Reporting
Dow Jones Sustainability Index (DJSI)	Comprehensive	Evaluation	Rating
Future Fit Business Benchmark	Comprehensive	Evaluation	Rating

## Corporate Standards In Depth

### GRI

[GRI](#), the Global Reporting Initiative, is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.

Both GRI and the B Impact Assessment can be used to develop sustainability reports, and meet statutory reporting requirements as third party standards for benefit corporations. The BIA, unlike

GRI, provides not just a reporting framework for companies but an evaluation of the company's performance. Additionally, the BIA focuses on the positive impact of the company and includes standardized, comprehensive, metrics and indicators for a company to complement the open-ended aspects of the GRI reporting framework. Information collected for the purposes of a GRI report can be utilized to help complete the BIA, and vice versa.

### **SASB**

[SASB](#) is engaged in the creation and dissemination of sustainability accounting standards for use by publicly-listed corporations in disclosing material sustainability issues for the benefit of investors and the public.

SASB metrics are dependent upon the materiality of the metric to a company's financial valuation, while the BIA is a comprehensive measure of a company's social and environmental performance independent of market reactions. Furthermore, the BIA supplements SASB with performance evaluation in addition to disclosures. The B Impact Assessment is also designed for use by all companies as a measurement, management, and reporting tool.

With growing interest from large companies, B Lab has created a Multi-national and Public Markets Advisory Council, including representation from SASB. B Lab has also partnered with SASB to offer SASB metrics to B Analytics subscribers as a supplement to the BIA.

### **DJSI**

[The Dow Jones Sustainability Indices](#) serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for companies who want to adopt sustainable best practices.

Similar to SASB, the DJSI focuses on the performance of publicly traded companies and is based on indicators that affect financial performance. The DJSI, like the BIA, provides an evaluation of performance, but does not provide a transparent framework for reporting. The BIA supplements DJSI by providing a transparent evaluation and reporting mechanism for all size companies.

### **CDP**

[The Carbon Disclosure Project](#) is a non-profit organized focused on the reporting of transparency of corporate impacts on three primary environmental issues--Carbon, Water, and Forests. With the support of leading institutional investors, the Carbon Disclosure Project surveys the world's largest corporations for their environmental data, for access by investors and other decision makers. The Carbon Disclosure Project also offers scores for participating companies based on the level and quality of participation in the survey, although does not reflect performance relative to the material environmental issues themselves.

The B Impact Assessment can utilize data collected and reported through the Carbon Disclosure

Project. Furthermore, the BIA complements the Carbon Disclosure Project by including social indicators as well as practice based educational indicators, which also provides an overall evaluation of a company's performance.

## **Future Fit Business Benchmark**

[The Future-Fit Business Benchmark](#) offers a set of performance criteria that describe a company that is fit for the future: one that will flourish while adding to the wellbeing of society as a whole.

Future Fit metrics provide a framework to identify companies that are truly sustainable, not contributing to social or environmental problems, through the use of science-based goals and targets. As a setting for true north, the BIA incorporates Future Fit indicators in the BIA, but also provides incremental points and indicators for companies that do not have the data, or the capability, of assessing true Future Fitness.

Future Fit indicators are incorporated into the BIA and a leader in the development of the Future Fit Benchmark is on B Lab's Standards Advisory Council.

Standard	Relationship to BIA
Global Reporting Initiative (GRI)	Metrics used and rewarded in completing BIA
Sustainability Accounting Standards Board (SASB)	Industry metrics available as add-on to BIA; utilized in B Corp eligibility review
Carbon Disclosure Project (CDP)	Metrics used in completing BIA
Dow Jones Sustainability Index (DJSI)	No formal partnership
Future Fit Business Benchmark	Future Fit principles incorporated into BIA

## **Social Enterprise, Impact Investing, and Impact Measurement**

Name	Purpose	Organization
B Impact Assessment (BIA)	Evaluation; Management and Improvement	B Lab
Impact Reporting Investment Standards (IRIS)	Impact Reporting	Global Impact Investing Network
Principles of Social Value	Impact Measurement and Management	Social Value International

## ***IRIS***

[IRIS](#), the Impact Reporting Investment Standards, is the catalog of generally-accepted performance metrics that leading impact investors use to measure the social, environmental, and financial performance of their investments, overseen by the Global Impact Investing Network.

IRIS metrics and definitions are incorporated in the BIA whenever possible in order to ease reporting for users and to ensure standardization. The BIA, as a supplement to IRIS, provides an evaluation of the performance of companies related to those metrics.

IRIS was initially developed in coordination with GIIRS Ratings, and IRIS team members serve on B Lab's Standards Advisory Council, and vice versa.

## ***Social Value Principles (SROI)***

[Social Value Principles](#) is a management strategy focused on companies creating measurable business value by identifying and addressing social problems that intersect with their business. SROI is an approach to allow organizations to evaluate their outcomes in a communicable way.

The BIA has a formal partnership with Social Value International and incorporates Social Value principles, particularly in the Impact Business Models portion of the assessment, and recommends the use of SROI principles as a means of outcomes measurement to supplement the comprehensive practice-oriented evaluation of the BIA. Further information about the relationship between the B Impact Assessment methodology and the Principles of Social Value is forthcoming.