



PixelSpoke®

**Impact Report
2018**

A Force for Good

At PixelSpoke, we care about the world we live in, and we're never satisfied with the status quo. As a B Corp, we believe that business can, and should be, a force for good.

In 2018, we continued to challenge common notions of "business as usual." We also continued the practices that have helped shape PixelSpoke into the high-achieving, knowledge-hungry, team-focused, good-humored business it is today. Some of these practices include:

Mission-driven: We continue to meet the rigorous standards of social and environmental performance, accountability, and transparency as regulated by the nonprofit B Lab, and our mission as a B Corp informs all our business decisions.

Daily affirmations of our core values: During our daily huddle, each team member gives a shout-out to another team member tied to one of our core values: Everybody Wins, Solutions not Blame, Improve Every Day, Enjoy the Journey, Curiosity with a Purpose, and Authenticity.

Open book management: By practicing open book management with weekly financial updates, all team members are aware of the company's financial state and what they can do to improve it.

Strong learning environment: We hold weekly Lunch + Learns to collaborate and grow our skills.

Commitment to wellness: We believe that physical and mental health is vital to our team's happiness and productivity. To that end, we've done away with the office candy jar and instead offer an abundance of healthy snacks in the kitchen, from fresh fruit to Lara bars to taro chips. We also offer yoga or massage every Thursday.

While we love to celebrate the unique practices and mindsets that make PixelSpoke such a magical place to do business, we never let back-patting lead to complacency. In 2018, we continued to re-imagine and re-invent, to stretch our boundaries and step outside of our comfort zones.

Read on to learn more!

Our Core Values

Our culture determines how we communicate with clients and each other, and everything we do is guided by our core values:

EVERYBODY WINS

We create positive outcomes for our clients, company, community, and the planet

SOLUTIONS NOT BLAME

We are transparent in our behavior and take ownership of problems

IMPROVE EVERY DAY

We are always looking for what we can start, stop, or continue doing to improve

ENJOY THE JOURNEY

We actively cultivate gratitude and joy, for ourselves and for others

CURIOSITY WITH A PURPOSE

Constant learning is the fuel that leads to superior ideas for our clients

AUTHENTICITY

We are genuine and authentic in our dealings with others

High Employee Engagement



PixelSpoke staff in San Diego, CA

At PixelSpoke, we believe that an engaged and fulfilled team leads to better outcomes for our clients, our community, and our bottom line.

At least once a year, we conduct a Gallup Q12 survey to measure employee engagement. Gallup developed the survey after spending decades writing and testing hundreds of questions, yielding the 12 key components that drive employee engagement.

The survey is an opportunity to check in with the team, to celebrate what we're doing well, and to identify areas for improvement.

Overall, we scored a 4.53 out of 5 in 2018, which means all team members either agree or strongly agree that each of the 12 drivers of engagement are present for them!

We scored the highest in response to these five questions:

- 1. Does someone care about you as a person?**
- 2. Does someone encourage your development?**
- 3. Are your fellow employees committed to doing quality work?**
- 4. Has someone talked to you about your progress last 6 months?**
- 5. Have you received recognition for good work in last 7 days?**



4.53

Our 2018 Employee Engagement score was 4.53 out of 5, which means that all team members either agree or strongly agree that each of the 12 drivers of engagement are present for them



High Client Satisfaction

One of our core values is Build “Everybody Wins” Relationships, and we take that to heart.

Our clients are partners in making the world a better place, and we want to make their jobs as easy as possible – that means providing them with delightful service. To track this, we measure our Net Promoter Score (NPS) via regular surveys. This survey measures how likely our clients are to recommend us to others, the true mark of a delighted client!

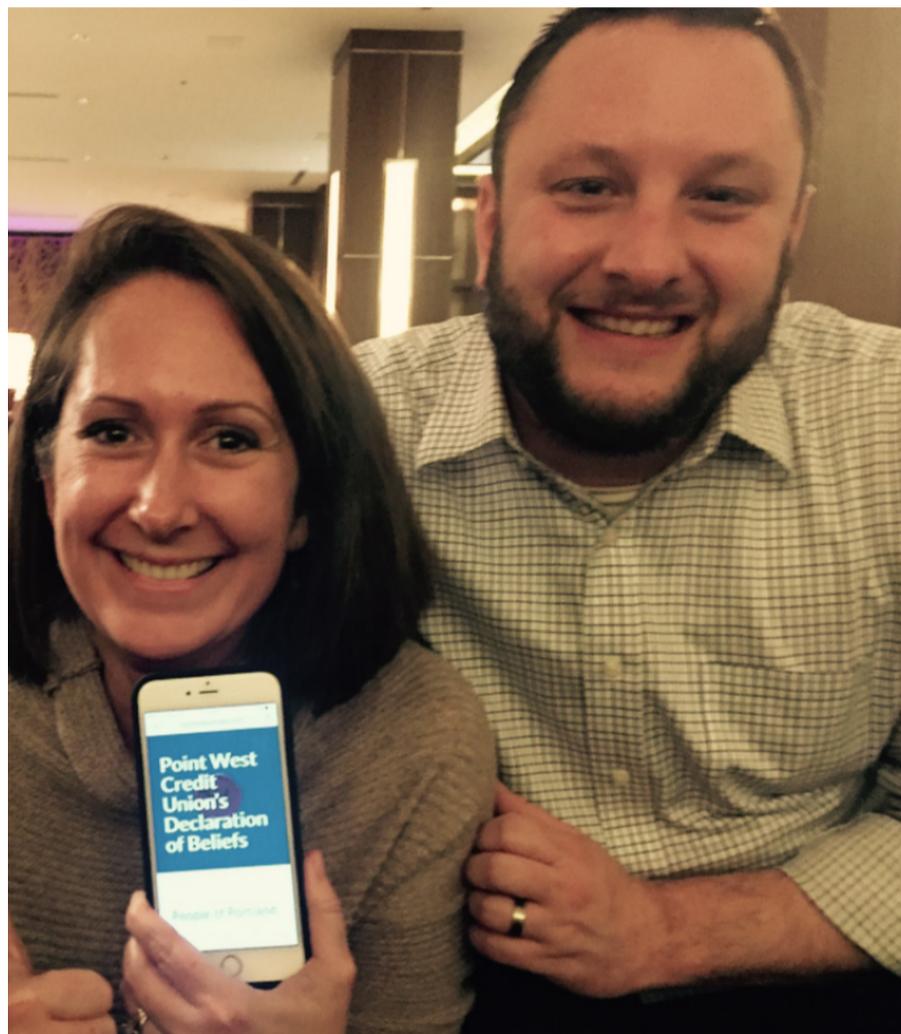
The Net Promoter Score

is based on a simple calculation:

$$\begin{aligned} & \% \text{ of delighted clients} \\ & - \% \text{ of unhappy clients} \end{aligned}$$

Clients who are merely satisfied are ignored completely, making this a very difficult metric to score high on. We are big fans of this approach because it sets the bar very high for the outcomes you create for your clients.

The World Class NPS Benchmark is 70, and the average score in our industry is 44. Our 2018 score of 85 is something we can't help but brag about.



Amy Nelson and Steve Pagenstecher,
Point West Credit Union

“PixelSpoke’s team works as a valued partner, not just trying to push a project or service. They care about the relationship and the long-term outcome.”



Clinton Summers

COO
Missoula FCU

“Excellent project management, prize-winning website — constantly evolving and improving, access to best practices and industry tools, *fun to work with.*”



Suzanne Olson

Public Relations Administrator
OPALCO

“Pixelspoke believes in the Credit Union Movement and is actively engaged in delivering the CU difference.”



Chad Olney

CEO
Pacific Crest FCU

85

Our 2018 NPS score was 85, compared to the World Class NPS Benchmark of 70 and the industry average of 44

Committed to Financial Wellness



Brandon from South Carolina, Kiva loan recipient

While dreams are universal,
opportunity is not.

We are committed to helping people around the world achieve financial wellness, and to that end, we contribute 5% of all profits to Kiva to help entrepreneurs around the globe build their businesses. When the loans are repaid, we put the funds directly back into more loans. In 2018, we made 1,500+ Kiva loans, including our 6,000th loan!

Through PixelSpoke's Paid Volunteer Time program, we also volunteered with several organizations that support financial health in underserved communities, including Junior Achievement, which provides local students the knowledge and skills they need to manage their money; plan for their futures; and make smart academic, career, and economic choices.



Lani from Portland, Kiva loan recipient



Sarah in New York, Kiva loan recipient



Chue in Thailand, Kiva loan recipient

1.9K+

We made over 1,900
microloans in 2018 to help
entrepreneurs build their
businesses

Committed to Our Team



The PixelSpoke team toured the border in Tijuana during our annual retreat.

We love our team, and it shows.

In fact, in 2018, we won the Best for the World Award for Workers from B Lab, recognizing our commitment to the happiness and well-being of our employees. The honor was extended to the top 10% of certified B Corporations who reflect the greatest dedication to their workforce.

Of course, we're always looking for ways to better serve our team, and in 2018, we rolled out 401k plans (better than the simple IRA plans we offered previously); improved dental and healthcare insurance, 100% paid for by the company; emergency ride benefits; and a bike stipend to help cover annual bike maintenance and repair costs.



Committed to Inclusivity

At PixelSpoke, we believe that we have a responsibility toward building an inclusive economy that creates opportunities for people of all backgrounds and experiences.

In keeping with our core value “Improve Every Day,” we joined over 250 B Corps to participate in B Lab’s Inclusive Economy Challenge. We committed to making at least three measurable improvements around inclusive hiring practices, which included using a screening tool designed to prevent subjective measures from guiding the screening process, conducting anonymous or “blind” reviews of resumes without reviewing names or identifying characteristics, and expanding our network to attract more diverse candidates.

887

In the 2018 Inclusive Economy Challenge, participants achieved 887 measurable inclusion goals

Walking the Walk

At one of our weekly Lunch + Learns, we were lucky to see a presentation from Adam Schwartz, Founder & Principal of The Cooperative Way, who boldly proclaimed, “Cooperatives are the best business model on Earth!”

It turns out he was pretty convincing, because in 2018, we began the process of transitioning from a single-member LLC to a worker-owned cooperative!

Since the majority of our clients also have cooperative business models, we see this transition as a way to “walk the walk.” It will also allow team members increased influence over the company’s strategy and direction.

In our humble opinion, the cooperative model offers the strongest legal and financial framework for a durable commitment to socially responsible practices and core values. Adam Schwartz would likely agree. We’re excited to make our cooperative status official in January 2020!

29K

29,000 cooperatives
operate in every sector of the
U.S. economy, soon to include
PixelSpoke!

Sustained Growth and Profitability

You could say PixelSpoke had a bit of a growth spurt in 2018.

Not only did we end the year at 12% profitability, but we increased our office space by 66% and made three outstanding new hires!

We were delighted to welcome three new team members:

Arian Cabezas, WordPress Developer

Kerala Taylor, Digital Strategist

Ryan Simsich, Designer

We also signed our largest client in PixelSpoke history, giving us the opportunity to live our core value, Curiosity with a Purpose, and continue stretching ourselves in new but purposeful ways.



Arian Cabezas



Kerala Taylor



Ryan Simsich



3.9K+

We expanded the office from 2,366 to 3,986 square feet in 2018

12%

Profitability in 2018

3

New hires in 2018

Award-Winning Workplace

We can't say for sure, but our workplace just might be the only workplace in Portland where compost is transported by bike to an employee's home for curbside pickup.

In fact, we go far beyond the limited curbside options offered to businesses by also taking plastics to regional recycling facilities and by responsibly recycling our outdated electronics through the nonprofit Free Geek.

The City of Portland's Sustainability at Work program has taken note. A kindred spirit to the rigorous B Corp certification process, the program recognizes local businesses through excellence in Reduce, Reuse, Recycle; Employee Engagement; Transportation; Energy; Water and Community Engagement.

With a list of actionable items in hand, we built some of them into our office space expansion, such as a recycling and compost station, motion-sensing lights, low-flow toilets, and hand dryers. We also incentivize the use of public transit, bicycles, and our two feet to commute to work, and have implemented a remote-flexible environment and teleconferencing to reduce transportation needs. Our low carbon footprint, coupled with the purchase of carbon offsets through TerraPass, enabled us to achieve carbon neutrality in 2018.

All of these efforts and more culminated in a Gold certification with the City of Portland, and we're mighty proud!



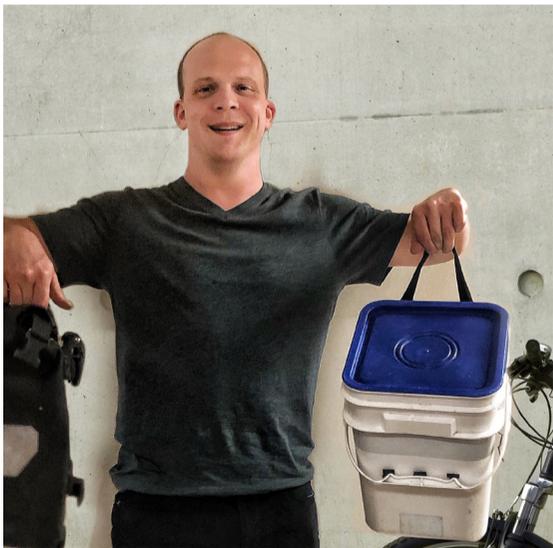
10K+

PixelSpokers commuted
10,560 miles by bicycle
in 2018



250+

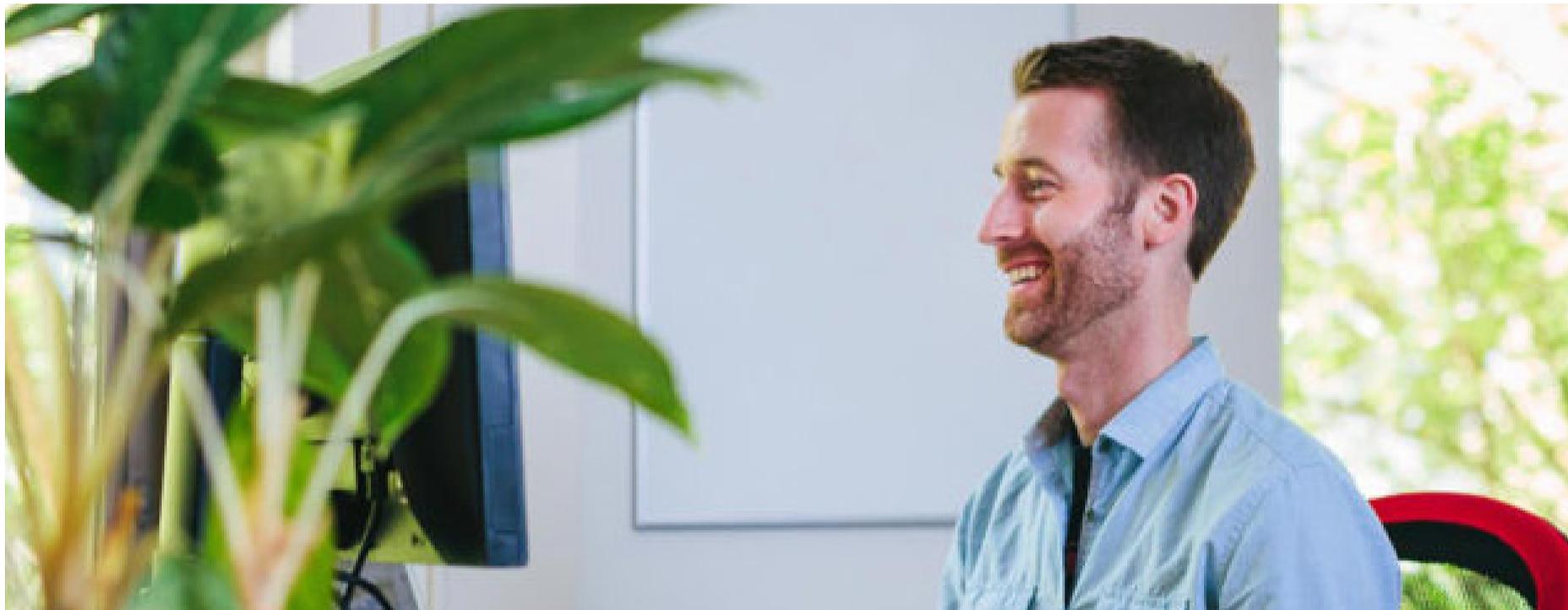
Our CEO jogged over 250
miles to work in 2018



104

104 lbs. of compost biked
home by PixelSpoke staff

Award-Winning Leadership



Our CEO Cameron Madill

Our CEO, Cameron Madill, was recognized as one of 10 B Economy Leaders from B Lab at its 2018 Champions Retreat for his work building local communities of impact-driven companies.

Never content to stop learning, Cameron also got certified as a Development Educator by the National Credit Union Foundation. The Credit Union Development Education (DE) Program promotes the education and application of credit union business principles and philosophy, exploring opportunities for credit unions to leverage their cooperative business structure. Cameron joined more than 1,900 credit union advocates from over 35 countries to earn their CUDE designation.



1.9K

1,900 credit union advocates, including our CEO, have received their CUDE designation

THE B ECONOMY IS BUILT BY EVERYONE WHO WORKS FOR, BUYS FROM, INVESTS IN, LEARNS OR TEACHES ABOUT, OR SUPPORTS BUSINESSES STRIVING TO CREATE A SHARED AND DURABLE PROSPERITY FOR ALL.

Connecting with the Credit Union Philosophy



Jim Morrell of Peninsula Credit Union

When we're down in the weeds — or pixels, so to speak — sometimes we can lose track of the larger philosophies that drive our work.

On July 18, 2018, we had a chance to step back and take a bird's-eye view of the nine cooperative operating principles and 12 economic development issues that are integral to the credit union mission.

Jim Morrell, CEO of Peninsula Credit Union, led us, along with staff from Trailhead Credit Union and Point West Credit Union, through a series of enlightening empathy exercises. The day culminated in a “field trip” to various banks, credit unions, and payday lenders, where we had to brush up on our acting chops and pose as prospective customers or members.

12 Economic Development Issues

| | |
|-------------------------|-------------------------------|
| Access to Credit | Appropriate Technology |
| Environment | Health |
| Representation | Savings Mobilization |
| Education | Employment |
| Housing | Hunger |
| Transportation | Women in Development |

9 Credit Union Cooperative Principles

Democratic Structure

Open & Voluntary Membership

Democratic Control

Non-Discrimination

Service to Members

Distribution to Members

Building Financial Stability

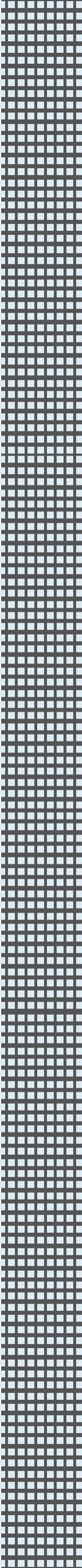
Service to Members

Social Goals

Ongoing Education

Cooperation Among Cooperatives

Social Responsibility



Here's to more impactful
work in 2019!

PixelSpoke[®]