

CORPORATE RESPONSIBILITY AND SUSTAINABILITY



Commitment to **People, Planet, and Community**
Fuel our Success and Resiliency

Corporate Responsibility and Sustainability

Commitment to our people and the planet fuels our success and resiliency

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About the Author: Garrett Kephart has over 10 years of experience helping public and private sector organizations develop and execute strategies to navigate issues driven by environmental, social, and economic change as well as uncertainties related to energy, sustainability, and global climate change.

CEO Perspective

Point B has long maintained a strong sustainability value proposition – we built sustainable thinking into the root of our firm’s values and across each dimension of our business strategy. As a locally-based professional firm, we maintain a small physical footprint, avoid excessive travel, and are frequently recognized by industry publications for our business model, community stewardship and culture.

We prioritize a values-based business model above all else and live our values each day. They govern how we think about growth, how we serve clients, who we hire, the leaders we select, and our long-term financial goals and investments. Our firm’s resiliency during the recent recession also can be attributed to our deep commitment to our people and our low-impact operating model. Not surprisingly, our associates choose to stay at Point B for the long haul and the firm has one of the industry’s lowest voluntary turnover rates.

Yet, while there is much to celebrate, opportunities exist to grow the business, increase productivity and drive additional operating efficiencies. An important market opportunity exists for Point B: helping clients drive business value through the lens of sustainability. Point B Capital made the first move, investing capital and know-how into two sustainability-related start-ups, Calico Energy Services and Inovus Solar. Point B Consulting is similarly well-positioned to bring experience and perspective to clients that are leveraging sustainability to innovate and launch new products and services.

This report describes our unique commitment to Corporate Responsibility and Sustainability (CRS). It identifies several strengths, as well as opportunities for improvement. More importantly, it creates a baseline from which we can measure and evaluate our “Triple Bottom Line” (i.e., social, environmental, and economic) performance in the future.



**Mike Pongon, CEO
Point B, Inc.**

We must continue to improve our business by examining our sustainability footprint. We recognize that CRS is a journey involving our people, clients, external stakeholders, local communities, and the environment. Regardless of our accomplishments to date, we understand that our journey requires this shared commitment.

Contact Info

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Markets

Bay Area – Chicago – Denver – Phoenix –
Portland – Seattle – Southern California

Practice Areas

Business Technology – Financial Services
– Healthcare (Provider, Payor, and Life
Sciences) – Energy and Resources – Go
to Market – Mergers and Acquisitions –
Process Optimization – Project Leadership
Services – Public and Social Sector –
Retail and Consumer Products –
Technology and Telecommunications

Business Units

Consulting (established 1995)
Capital (established 2011)

Leadership

Board of Directors

Dennin Brasch
Jim Hodge
Tim Jenkins
Darran Littlefield (Chair)
Mike Pongon

Executive Team

Mike Pongon, CEO, Point B, Inc.
EJ Blanchfield, COO, Point B, Inc.
John Bjornson, President, Capital
Paul Lambert, President, Consulting
Patrick McCauley, MD, Services
Geeta McCormack, MD, Markets
Chuck Ritter, MD, Industries
Denise Nelson, MD, Consulting
Operations

Overview

2011 Employees: 424
2010 Employees: 404
2009 Employees: 366

2011 Revenue: \$106M
2010 Revenue: \$89M
2009 Revenue: \$78M

Employment

<http://www.pointb.com/careers/>

Report Summary

Point B's inaugural Corporate Responsibility and Sustainability (CRS) report describes our firm's history, cultural tenets, and core values. The CRS Report also analyzes firm performance through the lens of Triple Bottom Line (social, environmental, and economic) indicators. Point B Associates showed overwhelming enthusiasm during the preparation of this inaugural report – over 30 percent of Point B employees made direct contributions, including 113 survey respondents and over 30 primary contributors to research, data analysis, writing, editing, and review. The results presented herein underscore the importance that social and environmental factors have played, and will continue to play, in the firm's financial performance and its resiliency to industry, market, and competitive drivers.

Approach

Report development involved five distinct phases:

- 1) **Identify performance indicators** with current or potential material impact on Point B using the Global Reporting Initiative's (GRI) G3.1 Reporting Guidance (RG) and Indicator Protocols (IP), input from firm leaders, and contact with our client network;
- 2) **Conduct primary and secondary research** using internal time and expense data, surveys, interviews, and various industry resources;
- 3) **Analyze sustainability data and benchmark peer firms** using GRI's Sustainability Disclosure Database;
- 4) **Assess sustainability-related Strengths, Weaknesses, Opportunities, and Threats (SWOT)** to identify continuous improvement recommendations for 2012;
- 5) **Develop the report** outlining Point B's GRI-based Standard Disclosures and performance for Fiscal Year 2011.

The majority of Point B's performance data were derived from internal time and expense records and via direct engagement (i.e., surveys and interviews). Environmental performance (e.g., energy, water, and waste) was estimated using industry-standard conversion factors with assistance from the Seattle Climate Partnership's Carbon Footprint Calculator^d.

Next Steps

Point B's first-ever CRS report is more than simply a summary of our core strengths. It identifies several opportunities for improvement, competitive weaknesses, and potential threats to our current operating and business models. We will continue our internal efforts in 2013 by establishing a sustainability working group. The working group's charter will be to collect stakeholder feedback and identify, evaluate, and recommend continuous improvement opportunities for the firm.

“The interaction with Point B has been exceptional and has helped us tune our business model and value proposition.”

--CLAY YOUNG, CO-FOUNDER AND CEO, INOVUS SOLAR

Cultural Tenets

Passion for Life
Purposeful Professionalism
Genuine Interest
Uncompromising Ethics
Shared Accountability
Stewardship

Firm Origins

Point B was founded in 1995 by Jim Hodge, Tim Jenkins, and Darran Littlefield, three Seattle-area entrepreneurs and former Accenture Managers. Beginning with an initial investment of \$200 and one client at launch, their decision to establish the firm was built on a belief that most organizations were being underserved by traditional consulting firms. The biggest issues, as the founders saw it, were that traditional consulting firms often sent inexperienced work teams to clients, spent too much time refining rigid methodologies rather than effecting real change, and were plagued by real and potential conflicts of interest.

Accordingly, Hodge, Jenkins, and Littlefield started Point B with the aim of doing things differently. Among other things, the firm believes that “different” involves focusing specifically on execution and actually getting projects done; providing flexible access to experienced leaders; eliminating “big firm” overhead; and avoiding alliances, reseller agreements, or other relationships that compromise the company’s objectivity.

Point B Capital

Point B Capital was formed in 2011 to leverage our knowledge, track record and network of relationships to deploy not only capital, but also the proven business expertise and relationships that produce new value in the marketplace. At Point B Capital, our relationship with Point B gives us unique insight into winning companies—with over 17 years of helping them grow and thrive. We make equity investments and manage complex deals that capture value and leverage the rich relationships that Point B has developed since 1995. Our network includes more than 300 clients across 27 industries. We build value for both portfolio companies and Point B’s broader client base by bringing the two together for mutual benefit.

Culture and Values

Point B became a resilient, sustainable business due in large part to its commitment to six cultural tenets (passion for life, purposeful professionalism, genuine interest, uncompromising ethics, shared accountability, and stewardship) and eight core values (people, relationships, ownership, honesty, excellence, choice, efficiency, and service). The following core values govern the clients we choose to do business with, the associates we hire, the leaders we select, and the financial goals and investments we make.

People

We put others’ interests first and the firm exists for the benefit of its people. We aspire to make the lives of all that come in contact with Point B better, including bettering the professional and personal lives of our associates. In addition to the passion we have for serving our clients and communities, we are passionate about investing in the lives of people that we interact with.

“I joined Point B for its culture and camaraderie – it’s entrepreneurial, trusting, peer-based and fun. It seems too good to be true when you come from that traveling consulting gig. The shoe never drops; Point B really is what it seems – it’s not just part of the recruiting process.”

Relationships

We build deep and lasting relationships inside and outside the firm, and at all levels. We strive to add value to all of our relationships and focus on the long-term partnership opportunities with all that interact with Point B. We look for ways to build community and connections within our clients, across industries, and in our community service efforts.

Ownership

We think, act, and take the perspective as owners of our business, our values, and our culture. We are all stewards of Point B’s future, including its people, clients, relationships, and business. We understand that we are all part of Point B and that it is bigger than just an account, market or business unit. We make decisions that create value for all employee-owners and maintain a one-firm point of view.

Honesty

We live our values and operate with high integrity in all dealings; we are ethical and transparent about all that we do on behalf of our people, clients, community partners, and firm.

Excellence

We strive for excellence in all we do, from the work we do for our clients and community to the people we hire and how we run our company.

Choice

We are committed to creating choice and flexibility for each of us as employee-owners. We use the lenses of employee and owner in viewing the choices that we make and understand that the path each of us selects is uniquely ours. The firm does not make choices for individuals and each of us understands that choices have trade-offs.

Efficiency

We are efficient and respectful with our clients’ and our associates’ time. We look for ways to make the important the priority – with speed and accuracy – and thwart bureaucracy and red tape.

Service

At our core we are driven to serve. As professionals, we serve our clients’ best interests and create tangible, lasting results. As colleagues, we serve each other by providing support, sharing knowledge, and celebrating each other’s accomplishments. As leaders, we serve by creating linkages between opportunities for personal and professional growth and the desires and capabilities of our people. As people, we serve our community through leadership, charity, and compassion.

“I stay at Point B for the same reason I joined: no other firm comes close to offering this level of personal choice and professional growth.”

Performance Detail

Awards

In 1995, our founders created a firm to focus on people, relationships, ownership, honesty, excellence, choice, efficiency, and service. Over the last 17 years, Point B has evolved into a sustainable business model that is often imitated, but never equaled. It has led to appreciative clients, thriving markets, and rewarding work that attracts and retains remarkable consultants.

During 2011, we were recognized as one of the “Best Firms to Work for” (Consulting Magazine), honored for “Workplace Flexibility” (Alfred P. Sloan Awards), and named a “Top Corporate Philanthropist” (Puget Sound Business Journal).

Consulting Magazine also named Susan Kanvik, our National Healthcare Senior Director, one of the “Top 25 Consultants” in 2011.

A partial list of our awards includes:

- » 2008, 2010 and 2011 "Business Excellence in Workplace Flexibility" by Alfred P. Sloan Awards
- » 2006, 2008, 2010 and 2011 "Best Firms to Work for" by Consulting Magazine
- » 2011 “Top 25 Consultants” by Consulting Magazine (Susan Kanvik)
- » 2008, 2010 and 2011 "Best Places to Work" by Denver Business Journal
- » 2010 and 2011 “Best Place to Work” by the Los Angeles Business Journal
- » 2010 “Washington’s Best Workplaces” by the Puget Sound Business Journal
- » 2010, 2011 “Top 100 Companies” by Oregon Business
- » 2011, 2012 Top Corporate Philanthropist, Puget Sound Business Journal
- » 2010 "Entrepreneurs of the Year" by Ernst & Young (Darran Littlefield and Tim Jenkins)
- » 2007 "Top Small Workplaces" by Wall Street Journal

Total Rewards

Point B rewards high performance with Total Rewards that reinforce our differentiators as an employer. We offer competitive base pay, benefits, and short- and long-term incentives while aiming to be market leading with our culture, flexibility and leadership development opportunities, including:

- » Base Compensation, which combines dependable cash flow and a potential upside based on productivity that you manage
- » Short and Long Term Incentives, including an Annual Bonus and an Employee Stock Ownership Plan (ESOP)
- » Benefits, which include a 401K plan, medical, dental, vision, and disability benefits, and mobility and technology stipends
- » Development, which includes challenging client engagements and customized development and training opportunities
- » Culture, which includes building lasting relationships through client service delivery and at Point B events. Most importantly, it includes our values in action.

Our people are passionate. We have a passion for life, a passion for our work, and a passion for our communities.

See examples from several associates who are making an impact in their work, their communities, and in the world on our website at: <http://www.pointb.com/about-us/community-involvement>

In many ways, Point B belies the stereotype of the traditional management consulting firm that routinely overworks its consultants. Point B's base compensation model rewards associates with consistent, predictable compensation as they serve our clients, transition between assignments, and engage in professional development and other activities. It also provides for increased compensation for additional productivity. The model enables associates to determine how much they want to work and provides compensation for their investments in our clients, in our firm, and in their own professional development.

Our culture provides tangible benefits, which help create an experience for associates that cannot be found elsewhere. This includes activities like company getaways, watering holes, and celebrations, but more importantly it is the people we work with, the ways we collaborate together, and the flexibility and choice we offer. In short, at Point B, we strive to live great lives together.

The firm avoids the conventional "up-or-out" management consultant career model by actively promoting alternative work-life models. We hire associates with a "passion for life." If an associate is approved for a Leave of Absence (LOA), Point B will maintain the associate's medical/vision, dental, Employee Assistance Program (EAP) and group life benefits for up to 4 months during a rolling 12-month period.

As illustrated in Figure 1, 14 percent of employees worked in a part-time capacity in 2011. This includes 15 employees that chose to take voluntary LOAs of greater than four weeks to spend more time with their family, travel the world, and/or volunteer for a non-profit.

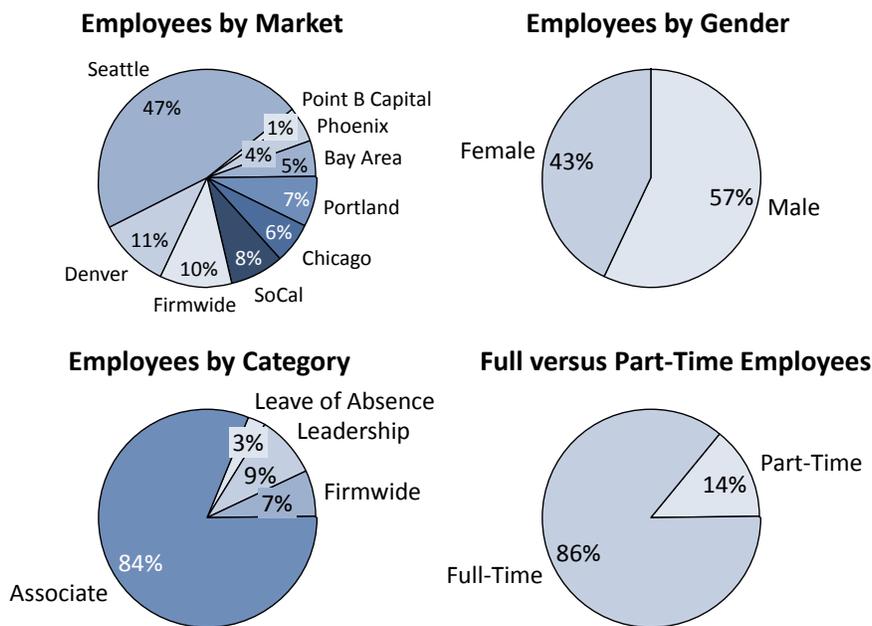


Figure 1

Firm Demographics

Although Point B has expanded to encompass seven markets (Seattle, Bay Area, Chicago, Denver, Phoenix, Portland, and Southern California), Seattle remains the largest office, with nearly half (47 percent) of all employees (see Figure 1). Client-facing associates represented 84 percent of all 424 Point B employees in 2011. Women represented approximately 43 percent of all employees, and, as

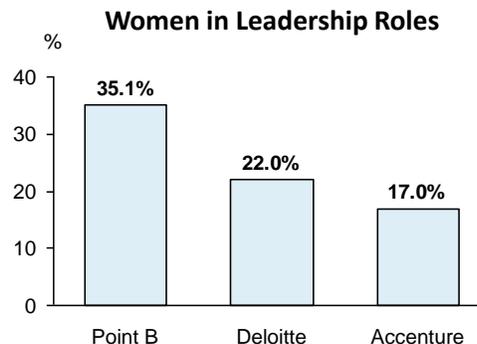


Figure 2

depicted in Figure 2, women held a greater percent (35 percent) of leadership roles than other leading management consulting firms in 2011.ⁱⁱ Furthermore, over the last three years, 41 percent of new hires were women.

Point B's deep commitment to its people is illustrated by an industry-low employee turnover rate. Our three-year average turnover was 8.3 percent, versus an industry average of over 20 percent! Similarly, 100 percent of the 47 employees who took maternity-related Leave of Absences (LOAs) over the past three years returned to work at Point B. After 6-months, 100 percent remained at the firm, and more than 90 percent remained at Point B 12-months after returning to work.

Focus on People and Community

Point B maintained strong net revenue growth (Figure 3) following the most significant economic slowdown since the Great Depression due to its unique business model and culture. Yet, Point B was not immune to the Great Recession. Nearly overnight the demand for our services fell about 30 percent. Washington Mutual, a key client account, literally ceased to exist after the downturn. Many clients drastically pared back capital spending. During that difficult time, we worked with many of our clients to adjust engagement structures to fit the new reality. Our bench of unstaffed associates exceeded 20 percent. The firm lost money for the first (and only) month ever in February 2009. Finishing the year on a positive note was tougher than we had ever imagined.

How could we honor our values in the midst of such a crisis? We trimmed non-personnel expenses, but when 85 percent of your costs are people, that trimming couldn't do the job on its own. Clearly, cutting staff would be a quick way to pare the bench and conserve future cash. But what would this do to our reputation as an employer? How would it affect our culture? And if the economy recovered, would we regret the loss of so many valuable people?

Point B Associates
currently sit on over 70
(known) non-profit
Boards.

Point B's corporate giving strategy is a reflection of both our leadership expertise and the vision and values of our company. We bring the same discipline to our giving as we do any of our client's business challenges –with the full alignment of our resources to deliver a truly positive impact on our communities and neighborhoods.

At the end of 2008 we also faced a key decision about how much to pay in year-end bonuses. The firm had done relatively well in 2008, but the prospects for 2009 were grim. How much cash should be preserved to ride out the storm?

We took a calculated risk to pay out bonuses more or less as we had planned at the end of 2008. At the same time, our leaders took voluntary pay cuts to preserve cash. We re-allocated non-billable staff to the frontlines and asked them to generate revenue. We re-doubled business development efforts and made some strategic (and a few not-so-strategic) price cuts. We canceled our culture functions called "Getaways" (maybe the hardest decision we made). We implemented a "Flex-Leave" policy for associates who chose to take some time off while demand was slack. And our very hard-hit Phoenix Market elected to take temporary, across-the-board pay cuts to avoid layoffs.

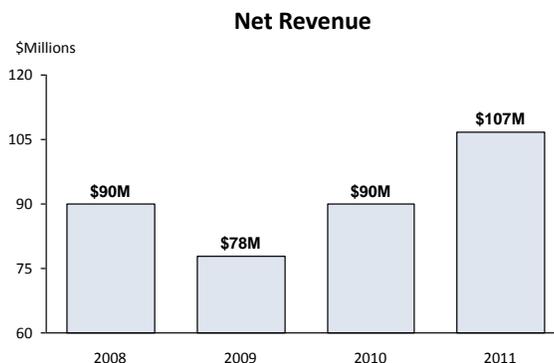


Figure 3

The way Point B responded to the Great Recession was an extraordinary example of our values in action. Every difficult decision was made through the lens of our values, as we determined to retain relationships, care for our people, increase our efficiency, and communicate honestly. The Flex-Leave policy and pay-cut decisions in Phoenix were great examples of our Choice value.

In a nutshell, we cut profits to keep people, rather than vice-versa. We posted a \$500K profit in 2009 after turning a \$10M+ in profit in 2008. But we did not lay a single associate off. When the economy began to recover we had capacity at the ready. And our associates – and the marketplace – learned that Point B is truly a values-driven firm.

As illustrated in Figure 4, Point B also made long-term investments in the recovery of our local communities by sponsoring significant charitable efforts with bench resources during the downturn. In 2009 alone, Point B invested nearly \$1K per FTE in corporate philanthropy, nearly 60 percent of which was spent on pro bono-related efforts. Over the last

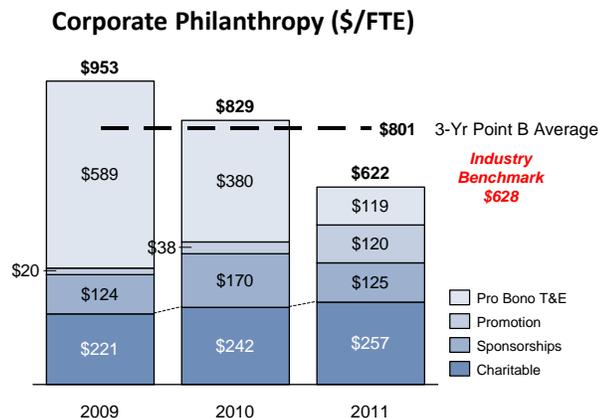


Figure 4

Joining Forces to Lead to a Cure for Cystic Fibrosis

The Bay Area office led a team effort that leveraged the experience and generosity of hundreds of people to launch the first annual Point B Climb for a Cure at the 42-story Spear Tower. The event was modeled after similar fundraisers for cystic fibrosis.



Consultants from San Francisco and Seattle joined the planning committee and contributed critical expertise in real estate and marketing. Point B underwrote the cost of the event so that all of the money raised—over \$40,000—went directly to funding cystic fibrosis research. Many of the climbing teams included individuals from our clients' companies.

three years, Point B averaged over \$800 in charitable contributions per FTE, approximately 28 percent more than one industry average for major corporationsⁱⁱⁱ.

Most associates also made significant personal investments in *pro bono*/charitable causes over the last year. For example, the average full-time associate invested the equivalent of 7 days (56.6 hours) in volunteer activities in 2011 (See Figure 5).

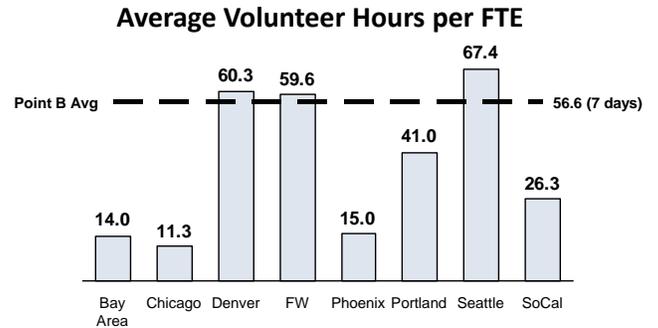


Figure 5

Point B promotes this type of community involvement through its Associate-based Sponsorship Program, which supports associates and their leadership activities outside of client work, while increasing firm visibility and community impact. Each year, Point B provides a pool of sponsorship dollars for community events and activities that provide the firm with visibility and opportunities to raise awareness about our services and recruitment efforts. An associate can apply for up to \$1,500 towards their particular passion from the Sponsorship Program in any one calendar year.

Because Point B approaches sustainability from the perspective of people and community first, we make significant investments each year to engage employees and deepen their commitment to their communities, the firm, and each other. In 2011 alone, Point B made more than \$550,000 in direct investments and compensated its employees for nearly 15,000 hours in professional development and culture-building events. This equates to nearly \$1,400 and 37 hours of direct investment per FTE (See Figure 6).

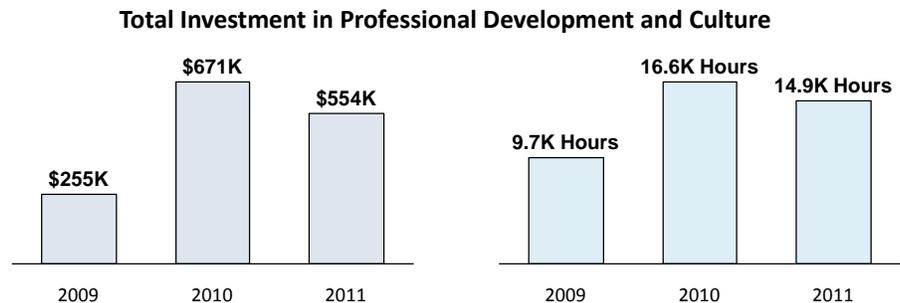


Figure 6

Energy and Natural Resource Management

As a professional services firm, Point B is not material-intensive and does not have a significant supply chain. Due to our local, market-based model, associates travel less than traditional management consulting firms and air travel is typically limited to business development and community-building visits by practice leadership. Point B promotes virtual offices and onsite client service delivery, and lease full-time office space only in Seattle^{iv} and Denver. All of these factors allow Point B to maintain an extremely small energy, natural resource, and waste footprint.

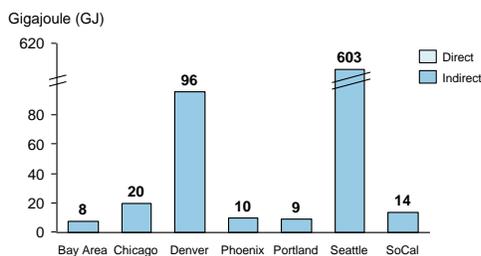
Our market-focused approach also minimizes the most critical climate change risks including volatile fuel/energy prices, food and material shortages, and institution of a government-mandated carbon price (or, the pricing of environmental externalities). More importantly, the threat of climate change represents a tangible business opportunity for Point B as we are in a unique position to help our clients objectively assess, plan, and manage the impact of climate change on their current business and operating models. We are well-positioned to offer objective analysis and help to develop and deploy strategies that create competitive advantages and drive new market growth opportunities for our clients^v.

Energy and Water

Point B does not own or lease a vehicle fleet and consumes zero direct energy. However, as illustrated in Figure 7, Point B does procure and consume electricity to support its seven markets. Besides Seattle and Denver, all markets primarily utilize client sites, home offices, and on-demand/as-needed facilities (e.g., Regus Executive Suites).

Given the challenge of collecting data from these office categories, we estimated consumption based on square-footage, employee headcount, and industry standard conversion factors for commercial offices in each region^{vi}. We only estimated indirect energy consumption by primary fuel source for our two full-time offices in this report (Seattle and Denver).

Estimated Energy Consumption by Facility



Estimated Primary Fuel Mix (%)

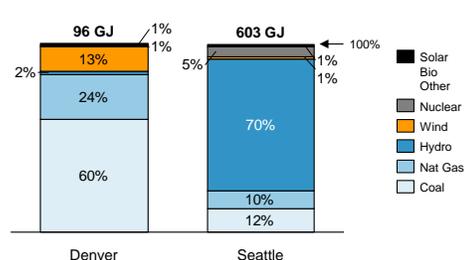


Figure 7

Potable water is provided by local utilities in all Point B markets (Figure 8). Similar to energy consumption, water consumption was greatest in Seattle and Denver because

they are our only full-time leased offices and represent nearly 60 percent of all employees.

Unfortunately, Point B is currently unable to actively manage its energy and water consumption because none of its facilities are sub-metered. Furthermore, our utility expenses are included in our lease contract at our Seattle and Denver facilities. In the future, we hope to prioritize our facility choices based on availability of sub-meters and green leases.

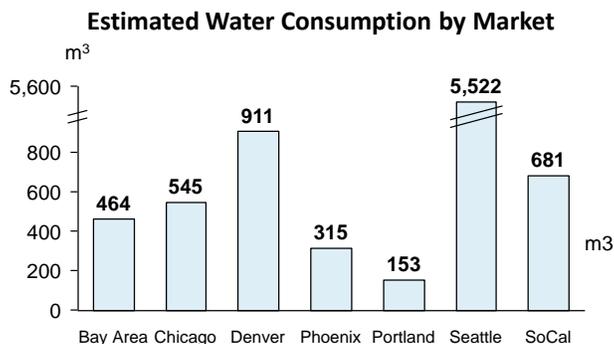


Figure 8

Carbon

Point B's carbon footprint was estimated to be 588 metric tons of carbon dioxide-equivalent (MTCO₂e) emissions in 2011. Although Point B is locally-based and encourages the use of collaboration tools (e.g., Microsoft Lync, Yammer, SharePoint, and DropBox) and teleworking when possible, nearly 80 percent of our carbon emissions were generated by business travel (Figure 9).

At the same time, Point B's carbon intensity (MTCO₂e/per FTE) was significantly lower than other leading management consulting firms in 2011. For example, Point B's carbon intensity was 82 percent lower than PWC, 72 percent lower than Deloitte, and 41 percent lower than Accenture (Figure 10). This is not surprising given that Point B gives associates more choices regarding travel and the firm's culture affirms working close to where you live.

Maintaining and/or reducing the firm's absolute carbon footprint will be challenging as the firm continues to grow. However, we are confident that we can maintain (and, hopefully, reduce) our firm-wide carbon intensity over the next decade through careful planning. Furthermore, we plan to assess the potential to reduce absolute emissions via carbon offsets in the future.

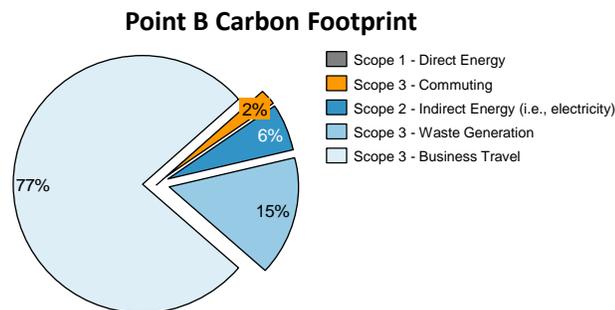


Figure 9

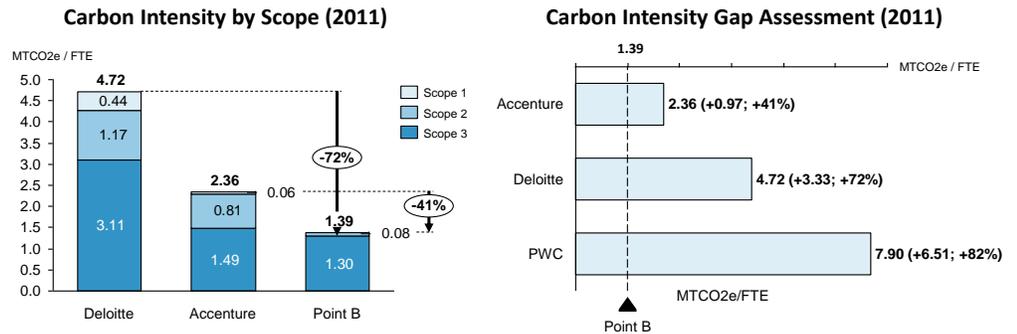


Figure 10

Additional Facts and Figures

- » Point B employees commute 12 percent less than the U.S. national average^{vii}.
- » Although employee commuting represents only 2 percent of Point B's total carbon footprint, it results in more than 125,000 gallons of gasoline consumed annually.
- » While Seattle burns almost 50,000 gallons of gas annually commuting, 182 percent more than the next market (Phoenix), it consumes less gasoline per FTE than most other markets. For example, Chicago burns 131 percent more gas per FTE than Seattle. Gasoline consumed per FTE across markets represents an opportunity to identify targets to encourage public transportation, carpooling, and the use of virtual offices.
- » Although airline travel represents 97 percent of all business travel, 8 percent of all flights are short and medium duration (Figure 11). Short and medium duration flights represent a target for business travel cost reduction per FTE, and related carbon avoidance.
- » Parking costs represent a potential cost avoidance opportunity for Point B. We plan to investigate incentives (e.g., public transportation vouchers) to reduce parking costs, especially in markets (e.g., Seattle and the Bay Area) and employee categories (e.g., Leadership) with higher-than-average parking expenses.

The Way Forward

Our first-ever sustainability report began with the hypothesis that *Point B has a uniquely powerful sustainability value proposition as a values-driven, locally-based professional firm*. This report underscores the reality of this hypothesis and identifies several competitive advantages of Point B's business model and culture that have emerged, in large part, as a reaction to the traditional consulting industry model.

Our focus and commitment to our values and cultural tenets helps us to sustain our business, despite recent and ongoing economic volatility. Point B's approach to business proves that it is possible to offer employees an intellectually stimulating work environment, while providing the flexibility to choose a lifestyle that fits each individual's personal goals and aspirations. Admittedly, Point B can offer the nirvana of

true work-life balance in large part because of its local, market-based model. The positive impacts of this approach include avoiding excessive travel and maintaining comparatively low operating expenses and a small natural resource (i.e., energy, water, and waste) footprint.

This report is more than simply a summary of our core strengths. It also identifies several opportunities for improvement, competitive weaknesses, and potential threats to our current operating and business models. As a result of this effort, we plan to create a Sustainability Working Group in 2013 that will identify, assess, and recommend initiatives that can create tangible return on investment (ROI) through the lens of sustainability.

There is no doubt that future efforts will build upon Point B's sustainability credo and create significant value for our people, our clients, and the communities in which we live and serve.

Scope and Boundary

This report was prepared according to the Global Reporting Initiative's (GRI) G3.1 Reporting Guidelines (RG) and Technical Protocol (TP) for Application Level C. A GRI Content Index including all Standard Disclosures can be found on page 14.

The report covers all activities and employees of Point B, Inc. during Fiscal Year 2011^{viii}. The analysis includes all work-related activities, including employee commuting, carried out by full-time equivalent Point B, Inc. employees.

GRI Standard Disclosures are available to all stakeholder groups including, but not limited to, our clients, community groups, business partners, employees and the general public on our website: www.pointb.com/about-us/sustainability.

Point B did not engage its suppliers during the preparation of this report as we felt that this was immaterial to our overall analysis given our market-based, low-touch operating model. Beyond our suppliers, we did not exclude any stakeholders in selecting the groups with whom to engage.

Global Reporting Initiative (GRI) Index

By the numbers

- 14 Indicators
- 11 Core
- 3 Additional
- 3 Economic
- 9 Social
- 5 Environmental

Strategy and Analysis		Location or Disclosure
1.1	Statement from most senior decision-maker (i.e., CEO) about the relevancy of sustainability to the organization and its strategy.	Page 1
Organizational Profile		Location or Disclosure
2.1	Name of organization	Point B, Inc.
2.2	Primary brands, products and/or services	Professional services; page 2
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Two business units: Point B Consulting and Point B Capital
2.4	Location of organization's headquarters.	Seattle, WA
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Point B, Inc. currently operates only in the United States.
2.6	Nature of ownership and legal form.	Registered S-Corp with an Employee-Stock Ownership Plan (ESOP).
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	Page 2
2.8	Scale of reporting organization, including: number of employees; net sales; total capitalization broken down in terms of debt and equity; quantity of products or services provided.	Page 2
2.9	Significant changes during the reporting period regarding size, structure or ownership.	Point B Capital (page 3)
2.10	Awards received in the reporting period.	Page 5
Report Parameters		Location or Disclosure
3.1	Reporting period	Fiscal Year 2011 (same as calendar year)
3.2	Date of most recent report	This is Point B's first Sustainability Report
3.3	Reporting cycle	Biennial
3.4	Contact point for questions regarding the report or its contents.	Garrett Kephart – gkephart@pointb.com
3.5	Process for defining report content.	Pages 2 and 13
3.6	Boundary of report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	Page 13
3.7	State any specific limitations on the scope or boundary of the report.	Page 13
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Page 13
3.10	Explanation of the effect of any re-statements of information provided in earlier reports.	Not applicable; first report

3.11	Significant changes from previous reporting period.	Not applicable; first report
3.12	Table identifying the location of the Standard Disclosures in the report.	Standard Disclosures are found in this table.
Governance, Commitments, and Engagement		Location or Disclosure
4.1	Governance structure of the organization, including committees under the highest body responsible for specific tasks, such as setting strategy or organizational oversight.	Page 2
4.2	Indicate whether the Chair of the highest governing body is also an executive officer.	The Chair of the Board of Directors is not an executive officer.
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body who are independent and/or non-executive members.	No members of the Board of Directors are independent directors.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Point B encourages ongoing communication and feedback from its employees through formal and informal working relationships with Account Leaders, Foundation Partners, Senior Directors, Practice Directors, Managing Directors, and the Board of Directors. The firm invests in culture-building events that support direct communication and interaction with firm leaders through Account Meetings, OCEO Town Halls, Practice Meetings, Annual Retreats, and Roundtable discussions.
4.14	List of stakeholder groups engaged by the organization.	Pages 2 and 13
4.15	Basis for identification and selection of stakeholders with whom to engage.	Pages 2-3
Economic		Location or Disclosure
EC1	Direct economic value generated and distributed (Core)	Pages 7-9. As a privately-held company, Point B does not publish its operating costs, employee compensation, retained earnings, and payments to capital providers and governments. Also see EC8.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change (Core)	Page 10
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or <i>pro bono</i> engagement (Core)	Pages 8-9; data regarding individual charitable contributions and community investments collected via firm-wide survey.
Social		Location or Disclosure
LA1	Total workforce by employment type, employment contract, and region, broken down by gender. (Core)	Pages 6-7
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region. (Core)	Pages 6-7; did not report by market because Seattle is an

		outlier representing 47% of all employees and because age was determined to be a less meaningful metric.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation. (Add)	All benefits provided to full-time employees are provided to part-time employees at all locations unless an employee goes on an extended Leave of Absence (LOA). Pages 6-7.
LA10	Average hours of training per year per employee, by gender, and by employee category. (Core)	Page 9; did not report by gender and employee category.
LA12	Percentage of employees receiving regular performance and career development reviews, by gender. (Add)	100%: all employees receive annual and mid-year check-ins to discuss goals, share feedback, and identify ways for to grow and develop.
LA15	Return to work and retention rates after parental leave, by gender. (Core)	Pages 6; we do not collect data on paternity LOAs.
Environmental		Location or Disclosure
EN3	Direct energy consumption by primary energy source (Core)	Point B consumes no direct energy currently.
EN4	Indirect energy consumption by primary source (Core)	Page 10
EN8	Total water withdrawal by source (Core)	Page 10-11
EN16	Total direct and indirect greenhouse gas emissions by weight (Core)	Pages 11-12
EN29	Significant environmental impacts of transporting products, other goods and materials used for the organization's operations, and members of the workforce (Add)	Page 12; most critical environmental impacts are related to employee commuting. Commuting, gasoline consumption, and CO2e emission trends collected via firm-wide survey.

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- ⁱ Seattle Climate Partnership. Carbon Footprint Calculator 2010. Available at: <http://www.seattleclimatepartnership.org/>
- ⁱⁱ Deloitte and Accenture data collected from the GRI Disclosure Database and their publically-available corporate responsibility and sustainability publications.
- ⁱⁱⁱ Benchmark data from "Giving in Numbers: 2011 Edition, Committee Encouraging Corporate Philanthropy. p9. Available at: <http://www.corporatephilanthropy.org/>
- ^{iv} All Seattle facilities were grouped together for ease of analysis.
- ^v Point B is in the process of quantifying the potential market size for sustainability and climate change-related services.
- ^{vi} Point B Capital facility not included in scope of analysis because it operated for less than six months in 2011.
- ^{vii} ABC News. 2/13/2005. "Poll: Traffic in the United States." Available at: <http://abcnews.go.com/Technology/Traffic/story?id=485098&page=1>.
- ^{viii} Point B's Fiscal Year is the same as the calendar year. Point B, Inc. includes Point B Consulting and Point B Capital business units.