

2018 Salt Palm Development, Inc. (“Salt Palm”) Annual Benefit Report

Salt Palm Development is a certified B Corp, a Conscious Capitalism advocate, and a 1% for the Planet member that recognizes its success is as a result of its stakeholders, hard work, and commitment to equity.

Salt Palm’s goal is to utilize its resources and abilities in order to ensure a shared prosperity for its Customers, Employees, Suppliers, Investors, Society and the Environment.

HISTORY and WHY:

Salt Palm Development, Inc. (“Salt Palm”) became a Florida benefit corporation on January 1, 2018 and appointed Jared M. Meyers as its benefit officer. Benefit Corporations are a legal form permitted in 34 states within the United States. They are taxed like a typical corporation (E.g. S or C Corp). Over 7,500 exist globally, in 50+ countries, with approximately 27 in Florida.

In addition to being a Florida benefit corporation, we became a Certified B Corp in March 2018. This means that our company’s overall environmental and social performance were independently verified by B Lab, a third party. B Lab is a nonprofit organization that certifies B Corporations in the way Fair Trade USA certifies Fair Trade coffee or USGBC certifies LEED buildings. In addition to certifying companies that are environmentally and socially responsible, B Lab is also the primary organization working across the country and throughout the world to pass legislation establishing the benefit corporation as a distinct type of corporate entity whose environmental and social values are recognized and enforceable under state corporate law. Over 2,600 Certified B Corps exist in 60+ countries & 150+ industries & about 20 exist in Florida.

Some of the notable Certified B Corps are: Athleta, Ben & Jerrys, Eileen Fisher, Kickstarter, New Belgium Brewing, Patagonia, Toms, & the largest in the world Danone North America (Danon, Oikos, Activa, Horizon Milk, Evian).

Salt Palm is Florida’s first real estate developer to be a benefit corporation and also the first to be a Certified B Corp. There are no other Certified B Corps in St Petersburg, (or the Tampa Bay area) Florida. Salt Palm undertook this commitment to not only confirm its values, but to show others that business can be purposeful and profitable and thrive at the same time. Our business is successful not in spite of our responsible practices but because of them.

Salt Palm feels strongly that business leaders will help shape our future and we need leaders to recognize the interdependence of all things and realize that their success is predicated on the success of their stakeholders and not just their shareholders. B Lab has been promoting a framework for shared and durable prosperity for over 10 years and we have decided to assist them by growing the B Corp Movement and the B Economy in Florida.

This year we launched the For Good Movement to create a better world by combining the power of business with accountability, transparency, and a stakeholder orientation. The For Good Movement is a connection between B Corps, Conscious Capitalism, 1% for the Planet, like minded organizations/networks, governments/chambers, academia, and the local For Good ecosystems. It promotes business responsibility & resiliency to all companies, whether they be considered irresponsible today or whether they are competing to be the Best for the World.

The Florida movement is organized by Florida For Good, which is responsible for helping foster the local movements of St Pete For Good and Central Florida For Good. Florida For Good will assist local leaders, as they inspire their local business communities to focus on people, planet and profit, and expects similar programs to develop in other Florida regions. We believe that local economies are where change occurs and that to drive global change, it always starts at the local level. This is because people care about their own town/city, that they have an affinity for who and what they know and experience on a regular basis, and this keeps people in touch with their humanity and supports their willingness to collaborate for shared prosperity.

A REAL ESTATE DEVELOPER OR A PROVIDER OF PUBLIC BENEFIT:

We are both. Our Company uses real estate development as a tool to invest back into our Florida community with profits and time. More than half of all of our profits were utilized towards this purpose this year and the financial principal returned from 2018's sales was not returned to our shareholders but instead was applied to new community investments.

Despite being designed to give and our best attempts to positively impact society, we recognize that we are part of an industry that causes negative externalities. The global construction industry accounts for over 40% of energy usage, 50% of water use, 25% of greenhouse gas ("ghg") emissions, and 60% of timber use. Poor building practices would additionally result in pollution (air, water, etc.), prohibited discharges, climatic change, noise, depletion of raw materials and natural resources, and unrecycled waste.

We prescribe to the concept of reduce, reuse, recycle and the belief that it is our responsibility to offset the consequences of our activities. Despite this, we have yet to achieve this and do not believe that any business has done so...albeit some definitely do better than others. We make a conscious effort to do no harm, are transparent with our practices, and are among the most responsible in our industry as evidenced by our B Corp certification. We are committed to continuously improving our practices over time. Salt Palm utilizes LED lighting, programmable thermostats, lighting controls, spray foam insulation, energy star appliances, vinyl impact low E & argon gas windows glazing, low VOC paints, high efficiency SEER & multi zone HVAC systems, tankless gas water heaters, water efficient fixtures, reflective roof materials, EV chargers, drought tolerant native landscaping, water efficient sprinkler systems and was the first downtown St Pete developer to include solar-ready design within its townhomes. Salt Palm also intentionally targets urban markets where it can help promote ghg-free transportation through walking, biking, or electric vehicles.

While our practices have resulted in fewer carbon emissions than typical practices, we still emitted carbon this year and have contributed to global warming. To offset the consequences of our activities, we purchased carbon offsets from www.carbonfund.org and as a result, they have declared our practices to be carbon neutral.

HOW WE MEASURE WHAT MATTERS AND OUR PUBLIC BENEFIT:

We use B Lab's Impact Assessment, which can be located at www.FloridaForGood.com. We chose the B Lab Impact Assessment for quantifying our environmental and social performance because it is the leading tool for this purpose and because it satisfies all the performance characteristics and requirements established in Florida's benefit corporation law. It does not track our unique specific benefit purposes exactly but instead it focuses on four general categories: Environment, Workers, Community and Corporate Governance and helps to quantify how we fulfilled our benefit corporation purpose of promoting general public benefit. Our score was 107.7, well above the median score of 58.5 and the requirement of 80 to certify.

The details of our assessment are located at <https://bcorporation.net/directory/salt-palm-development>. You can also view our performance relative to other Certified B Corps on that website.

SOME NOTABLE SPECIFIC INITIATIVES:

1% for the Planet: Each year, we shall contribute one percent (1%) of our annual revenue to nonprofit charitable organizations that promote environmental conservation and sustainability, as more fully described below. Contributions shall consist of cash, products and services and recipients in the U.S. must be tax-exempt organizations registered by the IRS under section 501(c)(3) of the Internal Revenue Code.

Some of the organizations that we have supported this year which meet these criteria include:

1% for the Planet
For Good Movement, Inc.
B Lab
IDEAS for Us
Solar United Neighbors
Carbonfund.org
Coral Restoration Foundation
American Sustainable Business Council
Arbor Day

Conscious Capitalism International: Conscious Capitalism helps individuals and companies become more conscious with transformational experiences that inspire, educate and empower them to elevate humanity through business. Conscious businesses are galvanized by higher purposes that serve, align, and integrate the interests of all their major stakeholders. Our efforts predominantly focus on the success of Conscious Capitalism's Florida Chapter.

For Good Movement, Inc.: For Good Movement, Inc is a 501(c)3 nonprofit that serves a global movement of entrepreneurs who redefine success in business. It looks to inspire, not just with its vision, but by the movement's ability to translate ideas into action. It desires to create a world in which one day all companies will compete not just to be the best in the world, but to be the best FOR the world. We founded this charity this year and continue to assist its growth.

Carbonfund.org: Carbonfund.org is leading the fight against global warming, making it easy and affordable for any individual, business or organization to reduce & offset their climate impact and hasten the transition to a clean energy future. Carbonfund.org achieves its goals through Climate change education, Carbon offsets and reductions, and Public outreach. Carbonfund.org supports third-party validated renewable energy, energy efficiency and reforestation projects globally that reduce carbon dioxide emissions and the threat of climate change.

St Petersburg Arts Alliance: The St. Petersburg Arts Alliance is a 501(c)3 nonprofit dedicated to raising money and advocating for its creative community-artists, arts and cultural organizations and creative businesses. The Shine Mural Festival is its largest annual endeavor, responsible for over 50 new murals in St Pete. This year, we were their first ever title sponsor. Our assistance contributed to new murals throughout the city with the goal of beatifying various areas and dissolving visual divides in others.

Any questions regarding this report may be directed to info@saltpalm.com or Salt Palm Development, Inc. PO Box 690595 Orlando, FL 32869.